

Hillier Parker
May & Rowden
Real Estate Consultants
London Edinburgh
Sydney Melbourne

FINANCIAL TIMES

No. 25,532 Monday August 16 1971 ** 6p

SIMON BUILD
BUILDING & CIVIL ENGINEERING
DESIGN & CONSTRUCTION BY
Simon-Carves
Tel: 061-228 3600, Ext. 278

News Summary

GENERAL
More favour for EEC entry
British public now views favourably Britain's prospects as an EEC member, according to the second of the surveys conducted for FT by British Market Research Bureau Ltd.

The survey, taken between 29 and August 4, shows that 67 per cent. now think Britain will gain (against 76 per cent. in 1969) and that 34 per cent. now opt for entry, against only 23 per cent. in 1969. The survey also, 49 per cent. said they thought entry would be in Britain's interest, compared with 37 per cent. who replied to the survey.

Every question concerning the outlook for the economy as a whole and for individuals inside the Community there is now a more optimistic or less pessimistic view about the future. Back Page

ssian envoy lives in Malta
Ambassador Mikhailovskiy flew to Malta less than 24 hours after NATO announced it was pulling out its naval headquarters from the island. Like other non-resident envoys, he is known to have been in Malta for today's opening of the summit. However, speculation was raised once more that he might try to persuade Premier Dimech to accept Soviet aid.

iet, but tense, Jordan border
Syrian initiatives by Saudi Arabia and Egypt eased the tension between Jordan and Syria, but the situation remained highly explosive. There were military incidents over the border, however, the situation expected to remain unchanged until after the Egyptian summit meeting in Damascus on Wednesday.

tain seventh
World records yesterday in women's 4 x 400 metres relay, the women's 1,500 metres, and East Germany to a total gold medal in the Euro-athletic championships. In today's marathon, Brinsford, Wright and Ron Hill (2nd and 3rd respectively) beat the Soviet team. In 100m, it was placed 7th overall in games. Page 3

ag ring broken
Investigations and police outthrusting and Liverpool cracked an international smuggling ring, with headquarters in Tangier, which used a fleet of vans with secret compartments capable of carrying 300 lbs of cannabis—worth £100 on the black market. The final destination was to be the U.S.

ash kills four
People were killed and two injured when two cars in a head-on collision on A1 near Newport.

ampion Stewart
Stewart crashed at 110 mph in the Austrian Grand Prix yesterday—but won the 2nd Championship. The only driver who possibly have taken him in the standings, Jackie Ickx and Swede Peter Saunders, lost their lives when they failed to start. The race was won by Jochen Rindt (BRM).

efly ...
Miss Anne was 21 yesterday. Let a pilot John Shaw, who flies in his spare time "for fun," drew his pistol to victory in the King's air race.

BUSINESS
Nixon's economic study—a statement

PRESIDENT NIXON, after two days of talks at Camp David, yesterday asked for time to make a statement to be made early to-day. His Camp David discussions covered U.S. and international problems including the dollar, Europe's business centres had expected a move by the U.S. or by European Governments aimed at stabilising world currency markets following continued pressure against the dollar.

FASTER ECONOMIC growth policies, including retroactive tax cuts and tougher anti-inflation measures, have been urged by the Joint Economic Committee of Congress. Speedier Government spending and an incomes policy in the shape of price and wage guidelines were needed to reduce unemployment, said the Committee. Page 11

BOAC fare plan ready

BOAC MAY THIS WEEK indicate plans, it is understood, to go ahead with new fares cheaper than its "Early Bird" rates in the likely event of the Atlantic fares disagreement ending in an "open rate" situation. Though the Montreal conference of airlines ended with Lufthansa voted against a fares package agreed by all the other airlines, Lufthansa's objection was to the package itself, not in the principle of fare cuts. The other airlines later will probably put the package into effect; Lufthansa's new fares might undercut them. Back Page

Liverpool dockers get 3-shift offer

LIVERPOOL DOCKERS have been offered a pay-productivity deal, adding £9 a week to basic rates and allowing three-shift round-the-clock working. The men—10,000 are affected—meet next Saturday to vote on the offer which is recommended by the TGWU executive and their shop stewards. The scheme would exclude overtime. Page 11

TGWU's PAY OFFER of just under 10 per cent. to its national officers has been rejected. The 500 officers, who want the minimum raised by £700 to £2,500 a year, seek a meeting with Mr. Jack Jones, general secretary. Page 11

27 PER CENT. OF IMPORT merchants envisaged in an Association of British Chamber of Commerce survey expected a rise in orders placed abroad at higher average prices, against 11 per cent. who expected a fall in orders. Exporters showed less optimism: 23 per cent. were more hopeful for the general situation, but 21 per cent. were less optimistic. Page 13

Cawoods dividend up

CAWOODS HOLDINGS is to pay a dividend of 17½ per cent., raising the total to 25 (22½). Pre-tax profit has risen to £2,088m. (£1,658m.); all divisions had peak profits except oil distribution due to supply contracts and higher transport costs. Page 12; Lex

Callaghan attacks on Ulster: plea for 3-party talks

BY RICHARD EVANS, LOBBY CORRESPONDENT

The broad consensus of agreement between the Government and Opposition over how the Northern Ireland crisis should be handled is showing increasing signs of strain, but Labour leaders are anxious not to create a split that could make the situation deteriorate still further.

Instead there is likely to be more pressure on Ministers to arrange an early meeting between Mr. Heath and the Premiers of Eire and Northern Ireland. This became apparent yesterday when Mr. James Callaghan, Home Secretary, called in a radio interview for tripartite talks to be arranged at the earliest possible moment.

There will be continuing pressure for the early recall of Parliament unless conditions in Northern Ireland improve considerably. More than 90 Labour MPs have signed the petition demanding a recall, and the sponsors believe that if they can get over 100 signatures Mr. Wilson and the "shadow" Cabinet might feel obliged to issue a formal Opposition request for the Commons to meet to debate Ulster. This would be hard for the Government to refuse.

In an interview in yesterday's News of the World, Mr. Callaghan said he was in daily touch with Mr. Wilson on the possible recall of Parliament. "So far we haven't felt this is the right moment. We must wait and see how the situation develops over the next week or two." In his interview on BBC radio yesterday Mr. Callaghan said he had been "less than enchanted" with what the Government had done in Northern Ireland over the past week—a criticism of the policy of internment.

Ministers to their turn could debate Ulster. This would be hard for the Government to refuse. In an interview in yesterday's News of the World, Mr. Callaghan said he was in daily touch with Mr. Wilson on the possible recall of Parliament. "So far we haven't felt this is the right moment. We must wait and see how the situation develops over the next week or two." In his interview on BBC radio yesterday Mr. Callaghan said he had been "less than enchanted" with what the Government had done in Northern Ireland over the past week—a criticism of the policy of internment.

Support for Lynch. Back Page Editorial comment Page 10

More critical

The tone of Mr. Callaghan's remarks was more critical of Government policy than previous comments he has made and he emphasised in particular the need for a political initiative to be taken at the same time that terrorism in Northern Ireland was being countered by tougher measures.

Among the proposals he suggested should be discussed by the three leaders were the setting up of a Northern Ireland Council representative of all shades of opinion, a system of proportional representation which would be fairer to the Catholic minority and better representation of minority Government.

These ideas, and possibly others, are likely to be put forward with increasing strength by Labour MPs in the coming weeks if there is no sign of a political initiative by the Government. Ministers to their turn could debate Ulster. This would be hard for the Government to refuse. In an interview in yesterday's News of the World, Mr. Callaghan said he was in daily touch with Mr. Wilson on the possible recall of Parliament. "So far we haven't felt this is the right moment. We must wait and see how the situation develops over the next week or two." In his interview on BBC radio yesterday Mr. Callaghan said he had been "less than enchanted" with what the Government had done in Northern Ireland over the past week—a criticism of the policy of internment.

IRA control

Despite his criticism Mr. Callaghan said the deterioration of the situation did not mean the end of the bipartisan approach between Government and Opposition. It was the Opposition's job to try to support any action that would lessen the risk to soldiers and ordinary citizens. There might come a time when he would wish to take the Government to task, but it was not now. However, Mr. Callaghan went on to argue that had the British Government allowed the situation to slip then Mr. Brian Faulkner, Northern Ireland Prime Minister, and Mr. Lynch, the Eire Prime Minister, would not have been shouting at each other. He urged the British Government to say now that it wanted to arrange a tripartite discussion at the earliest possible moment. He thought such talks could lead to the Dublin Government's adopting a more helpful attitude towards controlling the IRA. "I believe the disease that is infecting Northern Ireland is a political one and could spread to the U.K. in a modified form," Mr. Callaghan warned.

It was argued that of the 25 reported killed in the past week only two were IRA members. There was fresh trouble to-day in the Bogside in Londonderry where a mob of 100 pelted soldiers with stones. Mr. Callaghan's Minister for Home Affairs, Mr. John Taylor, flew from Belfast to New York for a mystery 24-hour visit to-day.

Truman: Watney's latest terms

BY SANDY McLAHLAN

THE TERMS of Watney Mann's proposed new offer for Truman Hanbury Buxton are believed to contain an extra 100p in Convertible Loan stock for every ten Truman shares. The offer—shadowed increase in the coupon on the Loan stock is expected to be 1 per cent. to 11½ per cent.

This new bid is conditional on recommendation of the Truman Board, and may not be officially announced in this form if a recommendation is not forthcoming. And for the second time the Board of Truman seems undecided on whether to support a Watney offer. It has been nullifying over the Watney proposals since Thursday, and the further it has gone is to withdraw its recommendation from the Grand Metropolitan Hotels offer.

The revelation of the proposed new terms does not therefore take the situation much further forward. A further measure of uncertainty is involved with the interest of the Take-over Panel in the situation. The Panel is to look at the abnormal dealings in Watney Mann shares recently—they have moved up sharply on heavy turnover—to ascertain whether these deals should have been announced under the associated provisions of the Take-over Code. All the parties to the offer have denied that it is their doing, and most of all Watney, which on the face of it stands to gain the most from the strength in its share price.

Taking the new Watney terms as 15 shares plus £11 for 11½ per cent. convertible plus 11 shares in International Distillers and Vintners for every 10 Truman shares would value Truman at around £100 a share. The new offer will include an alternative to 10V shares to avoid capital gains tax incidence. The Grand Met. formal offer has been sent to shareholders over the week-end. It computes the value of Grand Met's latest bid at 445p a share, and Mr. Maxwell Joseph, the company's chairman, says in a letter to Truman shareholders that they have only to compare the records of Grand Met and Watney Mann "to realise that your long-term interests will be best served by accepting the increased offer from Grand Metropolitan." He warns shareholders to be wary of "short term market movements for which there may be no sound basis."

Comparing the acquisition policies of Grand Met and Watney Mr. Joseph says that his company only acquires companies it considers to be capable of expansion, and that it intends to expand the business of Truman. As far as Watney is concerned, he suggests, the justification for the bid appears to be "not on the basis of expansion but by reference to cost saving rationalisation."

In a circular to Truman shareholders, Guinness Mahon, financial advisers to Watney, strongly advises them to ignore the Grand Met offer.

Probe into uranium re-grading

THE AUSTRALIAN Senate committee investigating the securities industry, is to inquire into the announcement by Queensland Mines last Friday which downgraded its uranium deposits at Naharelek, in the Northern Territory.

The committee is to investigate share dealings in the company and its associated company Kathleen Investments and will also look into the background to the announcements. Senator Sir Magnus Cormack, the committee's chairman, said he was particularly disturbed by the announcement, made to Sydney Stock Exchange on Friday, that the company's ore reserves were 3,760 tons of 240-lb uranium oxide to the ton and 3,200 tons of 16 lbs to the ton. Last September the company announced the world's highest uranium deposit, with indicated reserves of 55,000 tons at 540 lbs to the ton. Sir Magnus said he had already made preliminary inquiries. "Steps should be taken to restore the confidence of local and international investors in the integrity of the Australian share markets and the development of the mineral industry," he said. Mining Notebook, Page 13

Bonn may aid exporters hit by DM float

BY MALCOLM RUTHERFORD BONN, August 15.

THE WEST German Economics Ministry is working on plans to help German export industries unduly hit by the effects of the floating of the D-Mark. This is probably the clearest sign so far that Bonn sees little hope of significant moves towards a more flexible international monetary system at the annual meeting of the International Monetary Fund in September and plans to press on with the float regardless. Papers on what would amount to limited subsidies to German exporters are being worked on by Dr. Wilhelm Hankel, head of the money and credit department in the Ministry, and in the absence of Professor Schiller, Economics and Finance Minister, who is one of the most influential figures in this field.

Meanwhile the Economics Ministry sets no great store by reports that the Americans have officially requested the IMF to study widening the permitted margins of currency fluctuations to 3 per cent. either side of parity. The proposal corresponds with earlier German thinking about monetary reform, but it is understood that the Germans were not informed of the American move in advance, and in any case the Economics Ministry may well have decided to stick out for something much more comprehensive. One informed source said to-day that the Germans were unlikely to support such an initiative without reaching prior agreement with the French. He added that Franco-German agreement here still seemed a long way off.

There are limits as to how far the German monetary reformists can go without having to consider the wrath of German exporters. This is no doubt why Dr. Hankel has allowed it to leak that the Ministry is considering plans to help the hardest hit. No details of the plans have yet emerged. Prof. Schiller is due to return to his desk around the middle of this week, after a long absence on leave and foreign travel. But sources close to him suggest that even if there is to be a new German approach to Paris or Washington it will not come quickly. The impression given is that the Ministry and the Bundesbank are glad they floated early enough and are ready to sit back and watch developments. Yet, as the need to say something to encourage exporters shows, there may well be an element of bluff.

Foreign exchange dealers and the Ministry tend to believe that the de facto revaluation of the D-Mark has now gone too far and that a reaction in favour of the dollar is bound to set in. On the other hand, this is what dealers were saying nearly every day last week—yet the D-Mark continued to appreciate. The other factor is that as long as the dollar continues so weak it is difficult, if not impossible, to revalue. Swiss revaluation unlikely. Back Page

ON OTHER PAGES

To-day's issue contains three pages (5-7) on Insurance & the EEC	20
Appointments	16
Arts and Entertainment	3
Building and Civil Engineering	9
Businessman's Diary	16
Company News	12
Crossword	16
Financial Diary	16
FT Share Information	18 & 19
International Company News	14
Justinian	4
Labour News	11
Leading Articles	10
Letters to the Editor	2
Lex and Lombard	20
Men and Matters	70
Mining Notebook	13
Racing	2
Sport	2
The Technical Page	8
Theatre and Cinemas	3
TV and Radio	16
ANNUAL STATEMENTS	13
Allied Investments	13
Cawoods Holdings	4
James Scott (Elec. Htdgs.)	8
Charles Sprackley Industries	17
INTERIM STATEMENT	10
Pitney-Bowes	12

JO'BURG TODAY and everyday.

Come fly with me

All you need to remember about flying to Johannesburg is that a S.A.A. Springbok flight bounds off from London daily.

Catch one. It will be a fast, gentle Boeing, equipped with uniquely comfortable seats. And catch connections with conveniently-timed services in South Africa when you arrive.

Details from your Travel Agent or from South African Airways, 251/9 Regent Street, London W1R 7AD. Telephone 01-437 9621. Also at Waterloo St., Birmingham, 021-643 0324; Hope St., Glasgow, 041-221 2932; Peter St., Manchester, 061-834 4868.

SAA
SOUTH AFRICAN AIRWAYS
In association with BOAC
The great way to South Africa

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4

Growth and the Common Market • Stock valuation

Sir—I am grateful to Peter Blaker who in his letter (August 10, which you headed "Iceland and EFTA") pointed out that the fact that Switzerland, Finland, Austria and Iceland have not had faster economic growth rates since the formation of EFTA is irrelevant in the case of Iceland since that country did not join until 1970.

However, the suggestion that "the larger the extra market which becomes available to any given country the more likely its growth rate is to benefit" deserves further discussion on the following lines:

(1) Joining the EEC may well not give British firms a "larger market." Any increases in sales to the EEC due to the lowering of tariff rates must be balanced against decreased sales in the U.K. (due to increased imports from the EEC) decreased sales to the Commonwealth (due to tariff rate re-adjustment, and the reduced purchasing power of countries denied agricultural outlets in the U.K.) decreased sales to other EFTA countries (since EEC members will have equal access to these markets) and, assuming no further devaluation, decreased sales generally abroad (due to higher costs following increases in the cost of living).

(2) Taking individually, growth rate figures for all EFTA and EEC countries between 1950 and 1968 cannot be used to prove (or disprove) this idea but in any case factors internal to each country "explain" their growth rates much more convincingly.

(3) "Small economies" which become closely linked to "large economies" often do not benefit in the long term—witness the position of Scotland today. (This is one fairly definite conclusion that has come from the study of regional economies.) It is true that this result may be avoided if there are controls on the movement of labour and capital together with "local" exchange rates—but this is not the aim of the EEC, though it is acceptable under the rules of EFTA.

In considering the many relevant points, it is difficult to escape the conclusion, already reached by many leading economists, that to suggest that the U.K. growth rate will be increased in the long term, due to EEC membership is at least naïve and perhaps even politically dangerous since it will lead to disillusion and bitter recriminations later on.

Jim Bourlet,
26, West Square, S.E.11.

A lack of knowledge

Sir—I find it distressing and threatening that anti-market forces are seeking to cut-off channels

of Government information necessary for people to make up their own minds in the light of their own interests in this matter of the Common Market "Great Debate".

Whenever I have asked people their opinion on the subject I have found not so much an attitude of one of despair over their own ignorance, as a desire for real knowledge and some embitterment over a Government that never really told people what it was all about, preferring to play its cards close to its chest. It is exactly the same problem of lack of communication as that breeding resentment and hostility between management and workers in some industries.

At least I have found that people generally have conceived of the EEC merely in terms of the price of butter and beef—an appalling low level of debate which naturally suits the interests of the anti-market forces since it is the negative side of the issue. In attempting to settle the price of butter and beef, the Government is endeavouring to stifle the democratic process they pay lip-service to, in the interests of their own personal demagoguery.

How arrogantly these writers denounce the White Paper, etc., as propaganda, pretending that they alone have wisdom enough to judge critically and that all the rest of us are mere stupid, gullible fools.

Having been privileged enough to pursue a full-time University education in Economics and International Relations—studying the ins-and-outs of international history, American and Russian foreign policy, NATO and the Warsaw Pact, The Commonwealth and EFTA, The United Nations and nuclear strategy, Comecon and the EEC, I find the White Paper, popular version as well, to be well balanced and factual statement of the reality in which the U.K. finds herself today. If it appears propagandist or one-sided it is because reality has become, since World War I, increasingly one-sided for the U.K.

Having viewed the same situation through the eyes of a stock-broker, investment analyst in the City simply reinforces my views that U.K. interests lie increasingly with Europe than elsewhere. There is an alternative to our assuming an influential role within the EEC and thus in the wider world, and that is relative decline—economic, diplomatic and social, into the status of a less-developed country; victim of super-power manipulations, heggar at the door of the advanced countries, pleading for charity from the UN institutions. The African diplomat who called us a "toothless old hulk" was very near

the mark. For as to speak of our sovereignty in legalised concepts, in a world of international power-politics is a disservice to our interests.

Whether investor or worker, farmer or housewife, or beneficiary of State welfare, we can promote our interests best within an integrating Europe. It is for each of us to be flexible in attitude, opportunist in employment and adaptable in consumption within an environment which changes rapidly, for better or for worse, in any case. Philip C. Ormrod,
British Council of the European Movement,
10, Compayne Gardens, N.W.6.

Technical analysis

Sir—Mr. Short also mentioned in his article in your issue of August 2 that technical analysis has been much slower to develop in the U.K. than in the U.S. In the U.S. this form of research is not regarded as something opposite to fundamental analysis, but to be used as an alternative approach, but that both approaches should be used to complement one another.

However, I would suggest that it must be confusing to those considering the use of technical analysis in this country to note the aggressive attitude with which technical analysts defend their own techniques. All forms of investment research depend on the ability of the individual concerned and while Mr. Ellinger (August 5) may prefer the use of bar charts as opposed to point and figure charts he should not find it necessary to justify his preference provided he is obtaining the correct results. Fundamental analysts do not seem to require justification of their techniques.

A. E. P. Clarke,
194-200, Bishopsgate, EC2.

Complementary bar charts

Sir—Although I am a point and figure (bar) chartist, I agree with Mr. Ellinger (August 5) that point and figure charts cannot provide as much information as a bar or line chart. The point and figure chartist, however, does not necessarily want this additional information as the point movement is the only consideration.

In my opinion, point and figure charts provide much clearer accumulation, distribution, base and top patterns, which more than compensate for the loss of gaps, "islands", comparability and relative lines. Over the last nine years I have

used almost every kind of chart and found that point and figure suited me best. I would not, however, claim that they are more sophisticated than Mr. Ellinger's excellent bar charts, which I use considerably more than my own work.

Surely if a chartist consistently supplies clients with good recommendations, then it does not matter what kind of chart he is interpreting. R. L. G. Lake,
36, Coleman Street, E.C.2.

Pensions anomaly

Sir—I am in complete agreement with Mr. D. A. Adkins' views (August 6) regarding pensions payable to residents outside Great Britain, as they suffer from the effects of inflation just as much as U.K. residents. I know of numerous cases where such pensioners are obliged to rely on charity.

To discriminate against the pensioner who lives abroad, after making his life's contribution to the British Government, is, in my view, unjust and unnecessary. Pensioners must surely involve the departments concerned in an excessive amount of work to administer such multi-tier systems, for what must amount to a very small saving to the Exchequer.

Unlike the U.K. resident, a person living abroad cannot appeal to his M.P. to lobby his case, and one must therefore hope that you Sir, through your column, will be prepared to champion this cause. E. H. Lang,
Rue Langueval 64,
1180 Brussels, Belgium.

Industrial relations

Sir—Mr. Southgate is perfectly correct (August 3) when he says that management is never absolute, depending as it does on the consent of the managed. However he does not go on to comment on the other side of the question—the "right" to demand by trade unionists not only to work or withdraw their labours, but also to deny the right to any others to work where they have stopped.

British industry tends to be bedevilled by this "double standard" attitude. What we need, I think, is the Government's much watered Industrial Relations Act will not give us) is a firm platform upon which the impact of workers on management (or vice versa) is controlled by a positive code of legal practice. If workers have the right to

withdraw their labour—has management not an equal right to engage alternative labour? If this is not so and some form of restraint on management is needed, should it not be exercised by Her Majesty's Courts—rather than by the second party to the dispute?

J. H. Stevenson,
Federation of Medium and Small Employers,
1, Abbots Green,
Croydon, CRO 3BL.

Sending money abroad

Sir—To your readers who may be considering the relative advantages of opening an account with G.I.R.O. or a clearing bank the following information may be of interest. On July 30, my son wished to transfer £100 on behalf of a U.K. camping organisation to France in settlement of hospital fees for one of their campers who was suffering from food poisoning. He went to a large Post Office in S.E. London and spent some time there whilst the counter-clerk studied the GPO regulations and eventually accepted £103.10 with a promise to remit £100 to the nearest office in France. On August 4, 1971 the Giro and Remittance Department, Money Order Branch, Chesterfield, Derbyshire, wrote to my son as follows:

"Because of Exchange Control Regulations the money order service may not be used to send money to non-residents of countries outside the Scheduled Territories. I am therefore enclosing a Girocheque for £100 in refundment of the amount of the order and charges."

I am sorry that you were not told about this when you bought the order. Please accept my apologies for the inconvenience caused.

May I suggest that you consult the National Giro Centre, Boodle if you have a Giro account or alternatively a bank. They may be able to arrange for payment to be made through banking channels. I advised my son to transfer £100 through the nearest branch of the National Westminster Bank under the terms of the Bank of England Notice, E.C.12, paragraph 27, which reads as follows:

"Authorised Banks may transfer as follows to a traveller, who is already abroad, to enable him to meet an emergency—
(a) a sum not exceeding £100, regardless of the amount of foreign exchange facilities already provided for the journey;
(b) a sum in excess of £100 provided that the amount transferred, when added

to the foreign exchange facilities already issued for the journey, does not result in the total amount made available for the journey exceeding £400.

No Form T need be completed, but the traveller's passport should be marked on his return. The beneficiary received £100 the same day and your readers might be interested to know that the charge was 50p as opposed to the 3.1 per cent. originally demanded by G.I.R.O.

W. G. Hodges,
134, Rosendale Road, S.E.21.

Valuation for stocks

Sir—Stock-taking is an expensive time-consuming operation for most companies. Nevertheless, the stock figure is a very important component of the profit.

The questions which need to be answered about the stock figure are—
1. How is it valued?
2. How much has been written off and why?
3. Are the changes of stock due to changes of quantity or to changes in the method of valuation?
4. Is the stock excessive for the particular business?

Basically most stock is valued at cost, but the cost of work in progress produced less than full capacity, the high overhead allocation may give inconsistent results from year to year. The rest of my remarks refer to stocks of finished goods.

On the stock sheets some attempt should be made to date the purchase or production completion so that the stock of finished goods can be aged, for example, less than one year old, one-two, two-three years, and over three years. A system of depreciation could be introduced so that, like fixed assets, stock of finished goods could be shown at cost less depreciation.

In the case of certain companies, shareholders and investment analysts may wish to know to what extent the stock increase arises from increased valuation or from increased quantity held. One way of providing the answer to this question would be to value this year's finished stock not only at this year's prices, but also at last year's prices. The difference between the two valuations at stock will give the price variance. This year's stock ± the price variance ± last year's stock will then give the quantity variance over the year.

One fairly simple ratio for indicating whether a company's stock of finished goods is increasing at an excessive rate is—

Stock of finished goods at year-end × 100
Sales less Gross Profit
Because of seasonal variations, this ratio is probably not suitable for comparing periods of less than a year.

Peter Lowden Griffiths,
41, Gloucester Place, W.1.

The largest element

Sir—I was interested in Mr. Dangerfield's analysis (August 10) of his research project on inventory management. Indeed it is the total system which should be optimised. He mentions raw material and finished stocks but omits work-in-progress stocks. This is a common oversight in industry also, where in the past few years there have been many drives on cutting down raw material and finished goods stockholding without realising that in many engineering-type companies (and others), work-in-progress is the largest element of the one figure shown in the balance sheet for stocks.

For many companies do not even for internal purposes, break stock figures down into the four main components of raw material, work-in-progress, finished stock and other stock (maintenance materials, petrol and fuel oil, stationary, etc.). It is not uncommon to find that the contribution of each of these to total stock is of the order, raw material 10 per cent., work-in-progress 45 per cent., finished stock and spares 20 per cent., other stock 5 per cent.

Excessive stockholding is only one aspect of the weakness of British industry in achieving an adequate rate of turnover of assets which multiplies up the percentage profit on sales to the percentage profit on capital employed. Concentration on reducing the work-in-progress will help towards this major aim, as well as improving liquidity, because it will only be achieved by speeding up operations and the movement of materials through the factory. In the same issue as Mr. Dangerfield's letter, your column how Spearwell have the time to produce a single tool from 15 days to 7 or 8 minutes.

Mr. Dangerfield asks: "how many managers have heard of EOQ?" There is its more insidious brother EOQ (economic order quantity) and between many should first organise their answer for in the building up of excess stocks than any other techniques because they exhibit sub-optimising par excellence.

In using these formulae, most companies understate their total cost of stockholding and there is little appreciation that in most cases the formulae have very flat

minima so that a reduction in batch size of a considerable amount only puts up the bulk cost by a small amount. In general it is more economic break down a machine making items over and above current requirements and put it on a shelf. If the ultimate savings are demanded, the attention to setup methods is usually enable runs to be economically by a third from their reduction in the set up or changeover times.

O. R. J. Lee,
L.E. Management Consultants,
1, West Side Common,
Wimbledon, S.W.19.

Inventory management

Sir—Mr. C. P. Norton's letter (August 5) is a welcome simplification of his views expressed earlier in your columns—inventory must indeed be approached in a total sense for maximum efficiency. Hence the emphasis which must be placed on business logistics, of which inventory is a critical element.

I do not, however, deny the importance of evaluating logic system requirements in the light of their interface with other functions of corporate activity. In this context, Mr. Norton's comments on the opportunities created by value analysis are undoubtedly valid—too are my own references to such activities as materials handling and warehousing (the latter being central to the appraisal of the financial, managerial, technological, and productive and distributive capabilities of suppliers, to the extent that they are recognised as extensions of a company's operations).

The principal focus of a letter was to highlight the need to look at inventory policies within the framework of a much broader field of management, namely business logistics, and, as well as the search for cost reductions, to examine within such a framework opportunities for trade cost increases in one area against cost decreases elsewhere.

For it is without doubt the approach which offers the greatest possibilities of cost reductions—how many companies have a traffic manager working in a complete vacuum or totally divorce the functions of warehouse management and order processing? Far too many fear it is logical that a company should first organise its activities as a business enterprise into clearly defined systems or sub-systems: cost trade-offs at systems or functional level, then offer even greater rewards to a company.

Gratias Vixen,
1, Fofix Way,
Horsforth, Nr. Leeds.

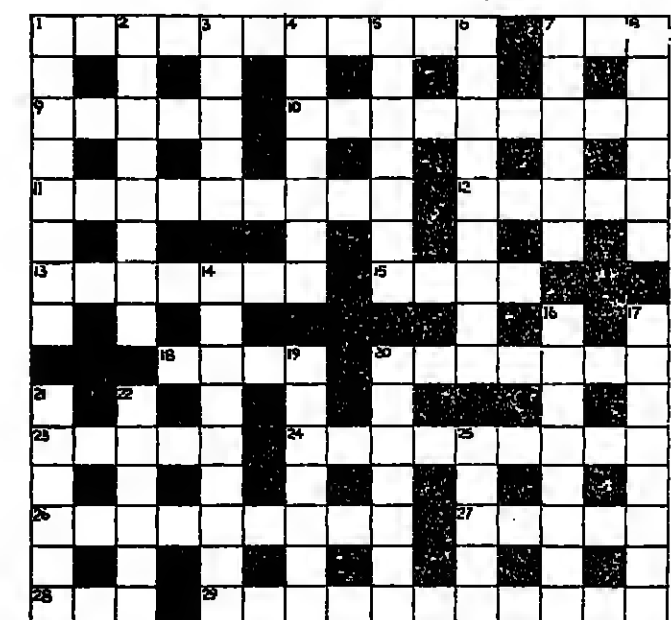
£1.8m. SMOKELESS FUEL PLANT READY SOON

Production is due to start in the next few weeks at a major new plant which should ease any fears of a smokeless fuel shortage in the East Midlands this winter. The National Carbonising Company announced yesterday that a £1.8m. smokeless fuel plant at Sleaford, in North Leicestershire, is about to start production. Output will be built up to 250,000 tons a year with supplies from the nearby Sleaford and Bagworth Colliery complexes.

HOW TO USE WATER SAFELY

The Royal Society for the Prevention of Accidents has produced a valuable booklet, On the Water. In the Water, listing the Department of Trade and Industry's recommendations on safety equipment for boats of less than 45 feet length. Priced at 10p, the booklet also includes useful information for those involved in boating as a sport or hobby. It covers the hazards, and precautions involved, in bathing and swimming, snorkelling and underwater swimming, surfing, rowing, fishing, canoeing, small boat sailing, powerboating, water ski-ing and cruising.

F.T. CROSSWORD PUZZLE NO. 1,646



- ACROSS**
- 1, 7 Is this feeling confined to a leap year? (6, 2, 3, 1)
 - 3 Quivering like a quail (5)
 - 10 When left there are no shares or impressions (12, 7)
 - 11 Clean ours to become felonious (19)
 - 12 Fanciful bird: yet it appears to exist (5)
 - 13 Irritating part of the Isle of Wight? (7)
 - 15 Swelling on return from the French (4)
 - 18 Declare mean loss of age (4)
 - 20 Usual road has fifty too many for laborious alteration (17)
 - 22 Flimsy old coin does not change (19)
 - 23 The natives of Borrioboola-Gha, on the left bank of the Niger? (Dickens) (9)
 - 27 Lame-necked but it is all right with a Greek letter (5)
 - 28 Ninehval in preparing to unload? (3, 3, 4, 4)
- DOWN**
- 1 Tangling by speaking surlily (8)
 - 2 Does he only write about drink? (13)
 - 3 The occasion when no person could contain a hundred (5)
 - 4 Sun, go in, it could be fiery (7)
 - 5 "There's such divinity doth hedge a king, That—can hut peep to what it would." (Hamlet) (17)
 - 6 Raked with fire along the line, I feed land aonebow (8)
 - 7 Mr. Capone with the fellow in the recess (16)
 - 8 Artist certain of ooliteration (6)
 - 14 Separate and perform realistically? (4, 5)
 - 16 Do more at a changed and speedy speed (5)
 - 17 His cohorts were cleaving in purple and gold? (5)
 - 19 Music for student demonstration? (17)
 - 20 A ship, for example, with a first class woujon (17)
 - 21 Trial or woud (6)
 - 22 Quantity required by Richard? (6)
 - 25 Fuzz concerning love (5)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

TV Radio

* Indicates programme in black and white.

BBC 1

12.55 p.m. The Eighties: Art. 1.30 Watch with Mother. 1.45 News. 4.40 Jackanory. 4.55 It's Your Voice. 5.15 Pixie and Dixie. 5.20 Belle, Sebastian and the Horses. 5.44 The Adventures of Parsley. 5.50 News. 6.00 London This Week. 6.20 Here's Lucy. 6.45 He Said, She Said with Lance Percival. 7.05 2 Cars. 7.20 The Goodies starring Tim Brooke-Taylor, Graeme Garden, Bill Oddie. 8.00 Panorama. 8.10 Nine O'Clock News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News. 5.30 News. 5.40 News. 5.50 News. 6.00 News. 6.10 News. 6.20 News. 6.30 News. 6.40 News. 6.50 News. 7.00 News. 7.10 News. 7.20 News. 7.30 News. 7.40 News. 7.50 News. 8.00 News. 8.10 News. 8.20 News. 8.30 News. 8.40 News. 8.50 News. 9.00 News. 9.10 News. 9.20 News. 9.30 News. 9.40 News. 9.50 News. 10.00 News. 10.10 News. 10.20 News. 10.30 News. 10.40 News. 10.50 News. 11.00 News. 11.10 News. 11.20 News. 11.30 News. 11.40 News. 11.50 News. 12.00 News. 12.10 News. 12.20 News. 12.30 News. 12.40 News. 12.50 News. 1.00 News. 1.10 News. 1.20 News. 1.30 News. 1.40 News. 1.50 News. 2.00 News. 2.10 News. 2.20 News. 2.30 News. 2.40 News. 2.50 News. 3.00 News. 3.10 News. 3.20 News. 3.30 News. 3.40 News. 3.50 News. 4.00 News. 4.10 News. 4.20 News. 4.30 News. 4.40 News. 4.50 News. 5.00 News. 5.10 News. 5.20 News.

Ways to improve Tests in England

BY TREVOR BAILEY

ANYONE LUCKY enough to see the final Test in Australia earlier this year must surely agree that there is nothing seriously wrong with Test cricket. Here was a classic contest between two equally balanced opponents—a result of the absence of Boycott and the injury to Snow—who fought out a magnificent contest for five days with fortune continuously fluctuating from side to side. Both countries had the opportunity to win right up to the final overs, providing the perfect example of how in cricket it is the situation which generates the excitement far more than the run rate.

Personally I do not believe there is anything intrinsically wrong with Test cricket. But that does not mean there is no room for improvement, especially in England where gate receipts are dropping and likely to continue to do so unless there is some new thinking.

There is not one simple reason for the noticeable decline of interest in Test cricket in this country, rather a series of different factors. First, it must be remembered that the last touring party to come to England which really caught the imagination of the game's followers was the West Indies, captained by Sir Frank Worrell, way back in 1963.

Secondly, the present England team is efficient and effective, but lacking in panache. Certainly not one of the 12 chosen to meet India next Thursday possesses the drawing power of a Compton or a Trueman.

Thirdly, limited over one-day cricket with its obvious advantages and attractions has unquestionably had a detrimental effect on the normal county game which is spreading to the Test scene. It would indeed be ironic, if the instant version, introduced to improve the finances of the counties, should ultimately kill Test cricket, the one big money producer.

Fourthly, far too many Test matches over here finish as unsatisfactory draws because of the weather. This has been per-

fectly illustrated against both India and Pakistan this summer. On our pitches 80 to 90 per cent. of Tests, if 30 hours playing time were available, would produce a definite result. It therefore follows that there is one simple method of greatly increasing the chances of achieving a definite result to each contest. All that is required is to forgo the rest day prior to the Test and hold it in reserve to be used, if required, to make-up any time lost through bad weather.

For financial reasons Test matches obviously should take place on Sunday, when crowd potential is largest. If this happens, as eventually it must, I would advocate commencing on Saturday. Should a rest day be considered essential during the game itself, something I am against, this would take place on Monday. The outcome would be for the Test to finish on a Thursday with Friday available to make-up for any time lost on account of the weather.

Fifth, the tempo of Test matches is frequently too slow but this is by no means wholly

Caution over car 'boom'

By Elizabeth Gargain

GLOWING REPORTS of widespread record car sales were treated with some caution by motor manufacturers yesterday. It was readily acknowledged that the removal of hire purchase restrictions in particular has sent customers to the showrooms, but August usually presents an "upsurge" anyway, particularly as the new registration letter comes into use.

However, British Leyland said it was working at full capacity. Dealer demand was increasing, and rapid deliveries were being asked for.

Spot check

A spot check during the first week of August at seven British Leyland distributors in the Home Counties had suggested that sales were 40 per cent. up. But British Leyland has had a very clear run over the past few weeks, without industrial disputes, which means that "stocks are good, and we are able to supply our distributors." Even so, there could probably be a little delay developing, putting, say, the 14-day delivery for a Mini back to three weeks.

Ford said that it is to recruit another 1,000 car workers at Dagenham, which did not, however, indicate a new "fantastic boom." It had been working flat out since the end of the strike last April.

Vauxhall, too, reports a very good August demand. A spot check on orders at some dealers during the last two weeks of July had indicated a 28 per cent. improvement over the same period in 1970.

Generally the feeling is that the Chancellor's measures, plus the start of the new registration letter, have had their effects, but to talk of a boom while the components sector is largely on short time is a bit of an exaggeration. The manufacturers still worry about long-term difficulties and "there are too many intangibles in our business," as one of them said.

NEW LLOYDS BOOK ON MARKET

Facts about the Common Market—why the EEC was formed, what the Treaty of Rome entails and how the Market works in practice—are contained in a revised book published by Lloyd's Bank and available free.

Inertia selling—protection for the consumer

BY SYNTIANIAN

THE parliamentary campaign against inertia selling (the uninvited despatch of goods in the hope that the recipients will be persuaded to buy) came to fruition last Thursday with the coming into force of the Unsolicited Goods and Services Act, 1971. There have been signs that the publicity given to the campaign has already decreased the scope of inertia selling; if so, the Act will set the seal on another move in the field of consumer protection.

The essence of the law's attempt to outlaw inertia selling is that the recipient of unsolicited goods may, under certain circumstances, retain the goods as an "unconditional gift." The circumstances have the effect of making the recipient of unsolicited goods their owner, either by doing nothing for six months after receipt or by giving the trader a notice and then waiting 30 days. This civil remedy against the inertia seller is buttressed by a criminal provision only if and when the sender makes a demand for money or asserts a right of payment, threatens legal proceedings, places or threatens to place the recipient on a black list, or

threatens to make any other collection procedure. Inertia selling is only the main subject of the Act, which contains two other important reforms. The "bogus directory" operation, in which entries are sold for non-existent directories, is a practice, which, it is believed, extracted annually somewhere between £4-£13m. from business firms, and is dealt with by spelling out the information to be given by directory-producing firms before payment may be claimed.

Order form

An order for an entry in a particular directory, must be made on a form identifying the proposed date of publication, giving both the name and address of the publisher and its price (including the number of copies to be distributed free of charge), and abiding the nature of the entry. Any failure to comply with these provisions will not attract any penalty, but if there is any demand for payment on the basis of an order failing to comply with the provisions, the offender will be punishable by a fine not exceeding £400.

The third provision of the Act, added hitherto as a result of vociferous complaints by the public to MPs, ironically has topical ring about it. The unsolicited sending of "any magazine, book or leaflet (or advertising material for any such publication) . . . which describes or illustrates human sexual techniques" will not only attract the civil remedy available for all inertia selling but will also come under the heavier stick of the criminal law.

This provision seems directed mainly at advertising material, since the sending of magazines or books can normally be dealt with under the Post Office Act, as was done in one of the charges against the three editors of the *Dr School Kids* issue. The liberal's worry about this ill-conceived law is that the publisher who advertises indiscriminately a book which might be "indecent" or "obscene" may be guilty of an offence even though the rest of the advertising material is neither indecent nor obscene. Since the consent of the Director of Public Prosecution is required for a prosecution, perhaps there is little to fear of an unjust trial.

Victims of third-party fraud

THE DAY after this column (August 2) advocated a change in the law to give the courts power to apportion loss between the innocent victims of a third-party fraud, Mr. David Weitzman, QC, asked the Attorney-General in the House of Commons whether the Government would legislate to introduce apportionment in such cases, or at least refer the matter to the Law Commission. The reply (in a written answer) was disappointing: There are no plans for amending this branch of the law, although there was the usual crumb of comfort in the statement that the recent decision in *Lewis v. Avery* (on which this column based the article of August 2) would be studied.

But does uncertainty in the law—and it is really uncertainty in the application of a well-defined rule of law—provoke increased litigation? Logic might dictate such a conclusion, but what are the facts? If analogies are any guide, the experience of apportionment in the case of frustrated contracts, provided for in the Law Reform (Frustrated Contracts) Act 1943, argues against the view that innocent and blameless purchasers, both duped by the cunning of the thief, are equally the victims. An innocent, blameless owner, faced with the loss of his property, is not equally the victim. A judge, the cunning of the thief, is the judgment of Solomon is to split the difference, but the Committee obviously recalls from such a simplistic solution.

"We see no reason why the owner of a chattel, if he is to retain the title to it, should be penalised when he has been no way at fault." This is irrefutable if ownership of property is always one starting point. May it not be the prime virtue of attaching that an owner's willingness to certainty. Two leading cases sell makes a substantial difference in the Court of Appeal in ten years. In that case title to goods, years discussing the relevant is no longer the fulcrum of as between two innocent vic-

sense of certainty in the law. If it is impossible to predict who of two victims of fraud the law will adjudge is the more to blame, there is no knowing whether the owner of goods was mistaken about the thief's identity or just his creditworthiness.

That issue will involve as much an inquiry about the transaction between owner and thief, and is only marginally less unpredictable than examination of the thief's conduct vis-à-vis both the owner and the buyer of the stolen goods.

Borne equally

The real reason for the rejection of apportionment is deeper. In the case ten years ago Lord Devlin suggested that where the loss was "pure misfortune," it should be borne equally by the two victims. An innocent, blameless owner, faced with the loss of his property, is not equally the victim. A judge, the cunning of the thief, is the judgment of Solomon is to split the difference, but the Committee obviously recalls from such a simplistic solution.

"We see no reason why the owner of a chattel, if he is to retain the title to it, should be penalised when he has been no way at fault." This is irrefutable if ownership of property is always one starting point. May it not be the prime virtue of attaching that an owner's willingness to certainty. Two leading cases sell makes a substantial difference in the Court of Appeal in ten years. In that case title to goods, years discussing the relevant is no longer the fulcrum of as between two innocent vic-

Rejection

The Attorney-General did, however, rest his rejection of the proposed change on the report in 1966 of the Law Reform Committee (a part-time standing committee appointed by the Lord Chancellor) which, he said, thought apportionment was impracticable in this area of the law. While it is true that the Law Reform Committee, in its 12th report on the transfer of title to chattels, did come down against the idea of apportionment, that cannot be the last word on the subject. In any event, the Committee's reasoning appears suspect.

The Committee acknowledged the attractiveness of the proposal as an attempt to do justice between two innocent vic-

Suspicion of MiGs in air buzzings

CIVIL airline pilots who have provided evidence of hazing by military aircraft believe that some of these incidents over Europe might have been caused by Soviet pilots flying MiG fighters.

The British Air Line Pilots' Association said yesterday: "Pilots who file 'near-miss' reports involving military aircraft are told in almost every case that the ground radar has no trace of the aircraft and no knowledge of it."

A BALPA spokesman, Mr. Gordon Hurley, added: "Some pilots feel that the aircraft could easily be MiG fighters. If the Controller does not know what is going on and fails to come up with answers when air-miss reports are filed this is tantamount to dishonesty. The consistent failure to identify military aircraft can only lead to one conclusion—that the European defence system is pathetically inadequate."

Pilots have come forward with details of air-miss over France, Germany, Spain, Switzerland, Italy and the Netherlands and U.K. The doing it renders the total European defence system ineffective."

They were recorded over these areas and there were 288 in the first nine months of 1970. BALPA says a large proportion of these involved military aircraft. The 1969 figures broke down as 33.6 per cent. over Germany, 22 per cent. over France and 11.7 per cent. over the U.K. Last year's first nine months showed 31.4 per cent. over Germany, 15 per cent. over France and 11.4 per cent. over the U.K.

The Association says it has asked military sources about manoeuvres near civil aircraft only to receive the reply that the aircraft is and what it is and the Netherlands and U.K. The doing it renders the total European defence system ineffective."

Cawoods Holdings Limited



Preliminary Announcement

RECORD PROFITS FOR 1971

Group Results for the year ended 31st March, 1971			
	1971	1970	
Trading profit	2,963,024	2,415,674	
Depreciation	271,496	765,106	
Profit before tax	2,691,528	1,650,568	
Tax	821,175	843,338	
Profit after tax	1,870,353	807,230	
Dividends:			
Ordinary	687,380	618,750	
Preference	9,000	9,000	
Dividends A Final dividend of 17½% is proposed, making a total of 25½% for the year ended 31st March, 1971, compared with 23½% for the previous year.			
Divisional Contributions in Group Profit			
	1971	1970	
Fuel distribution	1,083	1,207	65.4
Asphalt, stone quarries, and concrete products	360	254	13.8
Sand and gravel, ready mixed concrete and builders' supplies	608	390	21.1
Refractories	76	11	0.6
Containerisation	102	48	2.6
Building Contracting	—	(L) 84	(L) 3.5
	2,324	1,846	100.0
Less Interest payable	142	195	
	2,092	1,651	

Record profits were earned by all divisions except Sewell Distribution where profits from oil were lower than last year due to effect of new oil companies' supply contracts and increased road transport costs.

Current year

Group is planning for growth in all divisions and profits so far are ahead of last year.

The Report and Accounts will be circulated to shareholders on 30th August and the Annual General Meeting will be held on 24th September.

Leading youngsters confirm their advance

BY JOHN BARRETT

THE events of the past seven days have confirmed the advance of three of the nation's best young players.

On the hard courts of the Northern Club on Saturday, Christopher Mottram, of Kingston, 16 last April, and Glynis Coles, of Hounslow, one year older, became the youngest holders of the national under-21 titles. Then, at the Queen's Club yesterday, John Lloyd, the 16-year-old Essex boy, won the play-off organised by the BP International Tennis Fellowship to decide who would represent Britain in the Tournoi de l'Esperance, a six-nation under-21 event to be played in Ostend later this month.

The Manchester finals both carried a trace of inter-collegiate warfare. Mottram soundly beat his Surrey colleague Michael Collins, 6-0, 6-0, 6-2 and Miss Coles outlasted her Middlesex teammate Veronica Burton to win a close final 6-4, 6-6, 6-1.

These matches were both played on the hard courts because incessant rain had made play on grass impossible. Some of the players felt that it would have been fairer to have transferred all matches to the single tennisclub court at the Northern Club and the two others available at nearby Stalybridge.

The semi-finals on Friday gave hardcourt specialists Mottram and Collins a decided advantage against Ross Walker of Bucks and Robin Drysdale respectively, played as they were on the slow and damp club hard courts. Walker, especially, helped the frustrations and there were moments when an unpleasant atmosphere developed between the two players. Mottram objected to Walker placing his towel in the stop netting behind him at each change over—but the objection was made only in the third set. Mottram's habit of anticipating the linesman's call with guidance of his own is one

he must quickly break if he is not to mar an otherwise outstandingly high prospect of achievement.

As it was, the girls on Thursday were transferred to Stalybridge. It was there that the top seed, Jackie Fayer, lost to a fellow Devonian, Penny Moor, in a match of extraordinary fluctuation. Having lost the first set, Miss Fayer ran away with nine consecutive games to lead 3-0 in the decider. From that moment her confidence evaporated and she frittered away six successive games to lose the match.

Then Miss Coles accounted for the third seed, Lindsey Beaven, another Middlesex girl who is already 21. In a beautiful match of good-length driving and intelligent use of the volley and drop shot, Miss Coles proved the steadier in the inevitable crisis of the match.

Lloyd's successes yesterday

were against Drysdale 6-2, 6-1 and, in the final, Mark Farrell, the burly Lancashire left-hander. This he won 6-4, 6-0 and ran off 10 successive games after trailing 0-2 in the first set. It was extraordinary to see how, in the seventh game, Farrell tightened as Lloyd relaxed, so that errors sprayed from Farrell's racket as the Essex boy's confident hitting brought him a string of winners. Farrell's semi-final victim had been the strong-serving Dorset boy John Feaver, whose ability on the grass courts is not yet equal to solving the mysteries of hardcourt play.

The girls' play off for the Tournoi de l'Esperance brought sweet revenge for Miss Burton. Having accounted for Miss Fayer 4-8, 6-2, 6-2 in the morning, she overcame her conqueror of Saturday, Miss Coles 6-3 in the final set by consistent use of deep drives to the corners and sharply angled drives that created winning openings.

BOVRIL SHAREHOLDERS

Strong recommendation by your Directors

- ★ You now have a large capital gain on your shares. The Bovril Board believes the best way to safeguard this gain is to accept the improved Rowntree Mackintosh Offer.
- ★ The Rowntree Mackintosh share price is well backed by a forecast of record profits, assets of £5 per share, strong brand names and ample dividend cover. It is therefore a sound long term investment. This is what really matters when it comes to choosing which offer to accept.
- ★ A sale for cash in the market of your Bovril shares will for most shareholders result in substantial capital gains tax liability. (On the basis of the price at 6th April, 1965 the liability could be up to 86p on each Bovril Ordinary share)
- ★ Acceptance of any cash offer will also result in a capital gains tax liability. Acceptance of the Rowntree Mackintosh offer involves no immediate capital gains tax liability.
- ★ The Bovril Board supported by their advisers J. Henry Schroder Wagg & Co. Limited therefore strongly recommend you to accept the Rowntree Mackintosh Offer without delay, by completing the white form of acceptance.

THE CLOSING DATE IS TOMORROW
TUESDAY, 17TH AUGUST 1971

This advertisement is addressed to the Ordinary shareholders of Bovril Limited and is issued by J. Henry Schroder Wagg & Co. Limited on behalf of Bovril Limited. The Board of Bovril Limited have considered all statements of fact and opinion contained herein and accept individually and collectively full responsibility therefor.

من الأصل

INSURANCE AND THE EEC

FINANCIAL TIMES SURVEY

Need for Britain's voice to be heard

By DRYDEN GILLING-SMITH

How will membership of the EEC affect the British insurance industry? Will it provide new market opportunities or will the main effects be to bring more competition into the U.K. from European insurers and to cripple British insurance companies by imposing on them the burden of French or German style State reinsurance? Faced with these new problems, would British insurance companies still have the strength to go on contributing to the European external balance of payments as much as they have contributed to the British balance of payments in recent years? Some 60 per cent. of U.K. insurance premium income is exported, most of it to non-EEC areas.

Assessments of the effects on Britain of joining the EEC have so far tended to be conducted at macro level rather than on an industry-by-industry basis. And yet for most of us the practical consequences of being in the EEC will largely turn on whether we happen to work in an industry that is going to gain from the removal of internal tariffs in the Community or whether we work in an industry that is heading for a rough ride. This is the area where the hard work has now got to be done and some overall balance-sheet drawn up. The purpose of this survey is to lay the foundations for such an assessment for the British insurance industry by pulling together the various strands that have been receiving close attention by specialist representatives from British insurance for some years now: plans for standardised regulations of both life and non-life insurance throughout the Community; the contrast between

the preponderance on the Continent of insurance agents tied to one company only and the greater use in the U.K. of specialist insurance brokers who shop around for their clients and therefore wield a much stronger influence with the companies; the special position of Lloyd's as one of the most truly multinational enterprises ever to have existed; and the way in which our competitors across the Channel regard us.

Two aspects

Two aspects interest us: if we own insurance shares will they move ahead of the market, or fall behind; will the EEC mean a rise to Parisian prices for our motor insurance and the ending of tax relief on our life assurance premiums, leaving us instead to fork out for a value added tax or something equivalent? Also, we are all of us going to foot the bill in the form of higher prices if the price of commercial insurance increases and manufacturing industry consequently has to carry heavier insurance overheads.

And for the vast numbers of people whose sole means of investing on the stock exchange or in property is their endowment or unit-linked policy it would be catastrophic if the French-style control of insurance company investment were to be introduced over here—with say 50 per cent. of the assets invested on our behalf being forcibly diverted into the equivalent of War Loan.

In assessing the implications of membership of the EEC the first factor to get in perspective is that, unlike manufacturing industry, insurance is not affected by tariffs or equivalent discriminatory taxation. The removal of tariffs generally will not,

therefore, affect the competitive position of British insurance in EEC countries.

Effectively the barrier to an insurance company's ability to export is the insurance legislation of the country in which it wishes to sell its products. In the past it has been relatively easy for British insurers to operate in most Commonwealth and ex-Commonwealth countries and in the U.S. because these countries had inherited British legal traditions and generally speaking their approach to the supervision of insurance was similar to that in the U.K. Above all, the U.K. insurance industry had built up a reputation for financial soundness, fair dealing and underwriting skill that gave it an obvious advantage in these markets. In any case, overseas buyers had the security of knowing that British insurance companies had to comply in their own country with clearly defined solvency requirements.

In contrast, exports to Europe have usually meant setting up a special organisation to cope with the highly complex State regulations that operate in most of the EEC countries. Exporting to the Commonwealth can be equated with a manufacturing company getting longer runs by sending its home products overseas. Exporting to EEC countries is usually the equivalent of setting up a new factory overseas to make a product that you do not make at home. This is the reason why only a few British companies have found it worthwhile to export to Europe and why British insurance is only estimated to have about 5 per cent. of the EEC insurance market. It has only been worth incurring the high set-up costs of entry into a given EEC

territory if a company intends to operate there in a big way.

Is there the market potential to justify operating in the EEC countries in a big way by British standards? The present EEC population is of the order of 186m. If Britain joins we should therefore account for 23 per cent. of the population of the enlarged Community. But if British and EEC life assurance premiums are aggregated we would account for nearly 75 per cent. of the total. The average rate at which EEC premium income has grown during the 1960s has been nearly twice that of the U.K. but even at this rate of growth we shall have to

wait until well into the '80s before we can expect anything like U.K. levels of market penetration. And the U.K. itself falls well behind the U.S., Canada and Australia in its per capita expenditure on insurance.

How far is this gap between U.K. and EEC expenditure on life insurance based on different life styles and how far does it result from the stifling effect of EEC-type legislative controls? The French are more prone perhaps to adopt a fatalistic rather than a preventive attitude to risk and a substantial proportion of Italians still rely for much of their protection against the hazards of life on their large conglomerate families. Increasing industrialisation will no doubt help to modify traditional attitudes, but this will take time.

Immediately more important is the question of control legislation. This also reflects cultural differences. The French, Germans and Italians all went through critical phases in their modern industrial history under dictators—Napoleon, Bismarck and Mussolini—and this seems to have left an indelible mark

not only on their commercial legislation but also on the attitudes of businessmen towards government intervention.

The current intention of the EEC countries is to harmonise their control legislation so that there will be one set of rules throughout the Community. This would be in our advantage even if we were not to join because British insurers exporting to Europe would only have to grapple with one set of controls and not six. If we do join, however, we should have to accept this common control system in the U.K. too and the fear is that if the German, French and Italian influences operate to push the central system into the mould with which they are familiar the result could be disastrous for the domestic U.K. insurance market. We are not here simply concerned with commonsense solvency controls but with attempts by the State to become involved in the minutiae of insurance policy term and conditions, and to control insurance company investment. Although the theoretical justification for these controls is the protection

of the public, the type of "protection" actually provided is more on the line of that offered by Al Capone. The State takes its cut at the expense of the customer. There are even Luddite restrictions in France and Germany on insurance companies transacting both life and non-life business and against any attempt to diversify into the broader financial services market.

It is vital therefore for the future of British insurance that we should have liberal community insurance rules. Once we have joined we shall have a voice in determining these rules but it will be only a voice and we may have to exert considerable political pressure if we are to get our way. If the French can successfully apply such pressures in order to prop up an antiquated agricultural industry that is no use to anyone outside France we are surely justified in making a much bigger issue in the cause of an industry which is capable of making a substantial contribution to the overall EEC balance of payments with the dollar area and where British companies and Lloyd's will account for such a

large proportion of the total insurance business of the enlarged community. Not only this but a liberalisation of rules in France, Germany and Italy should have the effect of providing improved market opportunities for home companies in these countries.

Net gain

If we can achieve this result the British insurance industry can look forward to a net gain as a result of going into EEC. With our traditional skills in investment and underwriting know-how, a reputation for honesty and fair dealing which makes it possible to conduct transactions much more speedily than would otherwise be possible, and the professional approach to marketing that we are now beginning to learn, British insurance can look forward to improved profit and growth rates in the seventies as a result of being able to operate more easily in a new and wider market. If not, and we have to live on in the shadow of a French or German type control system, the consequences do not bear thinking about.

Regulations in state of flux

By T. H. M. OPPE*

No Community rules have yet been promulgated within the EEC apart from a directive governing reinsurance business, which was passed in 1964. It is therefore premature to say what effect joining the Common Market will have on British insurance, because this will depend on the extent to which British legislation and practice have to be altered to fit the rules which are eventually decided upon.

Generally, in order to facilitate freedom for insurers to transact business from one member state to another in accordance with the objects of the Treaty of Rome, it will be necessary to evolve common rules regarding, first, the establishment of branches in each country and, second, the freedom to offer insurance services

either directly or through intermediaries without the necessity to establish a branch in the country of operation.

Clearly it could be claimed that there would be distortion of competition and hence a contravention of one of the basic principles of the Treaty of Rome if an insurer of a member state subject to a less rigorous degree of insurance control is allowed to operate freely in other member states whose national insurers are subjected to stricter rules. The

implication is that uniform rules might be introduced based on the most rigorous system, and indeed this could be the result if the EEC felt it necessary to complete quickly the programme envisaged under the Treaty of Rome, which as far as insurance is concerned has fallen seriously behind schedule. However, for a variety of reasons, both political and technical, there is likely to be a considerable delay, particularly in the implementation of freedom of services which will involve, inter alia, prior harmonisation of legal provisions affecting insurance contracts and the rights of policyholders on the winding-up of an insurance fund.

In the short-term, then, the system is likely to be one of overall supervision by the appropriate authority of the member state in which the insurer has its chief office and supplementary supervision by the authorities in each country of operation over the business done in that particular country, thus implying the establishment of a branch office in each country of operation. Even this would represent a step forward for British companies, since they could no longer be refused a licence to do business in another member state, as is the case, for example, in France. It should be noted, in contrast, that foreign insurers have always been free to enter the U.K. subject to complying with the same requirements under the British insurance legislation as national insurers.

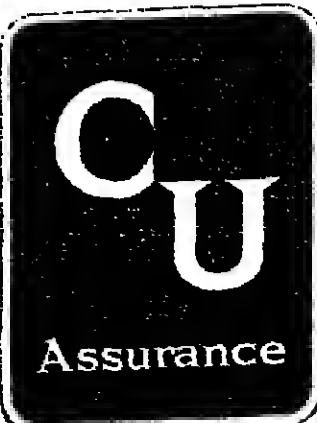
Legislation concerning insurance is considerably more

restrictive in the present member states of the Common Market, apart from the Netherlands, than in the U.K., particularly for long-term business. It is common for rates of premium and for the bases of calculating the technical reserves covering the insurance liabilities to be fixed by the control authorities. The choice of investments, the maximum or minimum percentages permitted for different types of investment and the basis of valuing the assets shown in the balance sheet are also the subject of regulations. There is often a legal obligation to hold mathematical reserves for each life assurance policy, under which a policyholder is entitled to withdraw a surrender value at any time.

Continued on next page

Commercial Union Assurance established throughout Western Europe

Commercial Union Assurance Company Limited.
North British & Mercantile Insurance Company Limited.
Northern Assurance Company Limited.
Ocean Accident & Guarantee Corporation Limited.
Indemnity Marine Assurance Company Limited.
Ocean Marine Insurance Company Limited.
Anglo-Elementar Versicherungs-Aktiengesellschaft (Austria).
Deutsche Elementar Versicherungs-Aktiengesellschaft (Germany).
Hibernian Insurance Company Limited (Republic of Ireland).
Forsikrings-Aktieselskabet Vidar (Denmark).
Les Provinces Réunies (Belgium).



Are you having difficulty in obtaining Life cover?

If you feel that your application for Life cover has been wrongly declined or the premium excessively loaded, we may be able to help you.

Our Life underwriting terms are exceptionally good and we therefore invite you to send us full particulars, either direct or through your Broker or Financial Advisor. We hope that you may be pleasantly surprised.

Please write or telephone our Life Manager, Keith Sankey, F.C.I.I. (Extn. 382 or 387).



HODGE LIFE ASSURANCE COMPANY LIMITED

30 Windsor Place, Cardiff.
Telephone 0222 42577

*A member of The Hodge Group Limited, whose assets exceed £100,000,000.

INSURANCE AND THE EEC II A stronger link with Europe

By a Correspondent

The London insurance market and the Continental markets have been linked closely for more than a century. The invisible bridges connecting the London market—being the most important centre of direct insurance and reinsurance in Europe—with the EEC countries have not been affected by the foundation of the EEC or of EFTA.

Nevertheless, the mode and extent of co-operation and competition between the present EEC countries and the London market will be increased and changed when Britain enters the Common Market.

This can be illustrated initially by quoting a few figures. In 1969, insurers in the six Common Market countries had a total premium income of approximately £6,000m. from life and non-life business. By comparison, the premium income of British insurers resulting from home and overseas business amounted to some £4,000m. in the same year. There is hardly any other branch of industry in the entire Community which will expand as much as the insurance market once the U.K. has become a member.

Invisible capital

Naturally, one must also consider the invisible capital of the British insurance industry, represented by centuries of know-how and a stable economic basis provided by world-wide insurance interests.

In this age of rapid technological advancement entailing a continuous increase in the magnitude of individual risks—such as industrial plants, aeroplanes or new and larger ships—the creation of this huge European market, enjoying premium income of more than £10,000m. a year, provides the very large underwriting capacity needed most urgently by a number of our customers.

Moreover, insurers on both sides of the Channel have many important problems in common. Unstable economic developments and inflationary trends compel insurers to apply new technical methods for fixing appropriate tariffs corresponding to the increase in claims costs. Similarly, technological developments force insurers to refine their methods of calculation and their reserves policy. But above all, insurers are obliged to spread really large risks on an international basis, offering interests to as many direct insurers and reinsurers as practicable. It is in these respects that more direct and intensive co-operation of the London market with the Continent will be most advantageous for both sides.

The basic requirements of the EEC Treaty for establishing, step by step, an integration of the markets are:

To ensure equal treatment of domestic and foreign insurers in each member country, and to establish a common denominator for the legal and administrative regulations imposed in the various member countries, so that access to foreign markets is simplified by a more uniform legislation.

The first step was taken when a liberalisation directive was passed, stating that reinsurers in all the member countries were to be treated equally and with the unrestricted rights of domestic reinsurers throughout the entire Common Market.

In 1960 work was started on the far more difficult task of providing freedom of establishment for direct insurers. An initial draft directive has been passed by the expert groups of the EEC committee, the European Parliament, the Economic and Social Board, and the working group of the Council of Ministers, and will presumably come into force before the end of this year, to provide a uniform basis for the establishment of branch offices or agencies.

But what will this common freedom of establishment be like?

First, the principles of insurance control applied in the six member countries will be adapted to form equal standards and requirements for all. Registration will be compulsory for

domestic and foreign insurers alike in all member countries. When registering, all insurers will be called upon to submit satisfactory evidence of their personal, technical and financial qualification.

Before it was possible to grant this legal entitlement to foreign insurers as well as to domestic companies without imposing special requirements such as securities or monetary deposits, the foremost prerequisite was to assimilate the legal conditions applying to insurers' capital in the member countries to a uniform denominator. Accordingly, the establishment directive applying to all insurance companies in the Common Market countries requires these companies to have the same minimum capital.

The directive—the individual details of which are somewhat complicated—rules that insurers must have solvency capital amounting to 17 per cent. of their total premium income or 24 per cent. of their average claims volume.

In future, it will be sufficient for insurance companies to provide evidence of adequate capital in their country of origin, thus enabling them to operate in each member country without providing securities or monetary deposits. All they will need is a general deputy, who may also be an agent.

Basically the same solution is also being prepared for the technical reserves. It will be attempted to find certain rules

ensuring that in all member countries the formation of technical reserves and the investment of the corresponding funds are equal and are effected on a common basis, so that it will not be necessary to require localisation in the individual nations in this respect, either.

Up to now work achieved towards freedom of service has not passed the preparatory stage. Even the basic decision

of whether freedom of services should be provided by co-existing markets open to domestic and foreign companies on the same conditions, or whether a uniform European market should be created by rigorous and comprehensive alignment of legal requirements—aimed at establishing an all-European control system—has not been made yet. As German insurers see it, it would already be possible to-day to open up the markets of all member countries so that insurance companies could operate directly without having an establishment abroad. Coexistence of the control systems and equal treatment of residents and foreigners could be provided immediately.

A solution based on the principle of equal treatment of domestic and foreign insurers and of mutual integration is possible to integrate non-members, provided these countries adapt their markets accordingly. The concept of co-existence does by no means make the Community impenetrable from the outside, as this concept is feasible and applicable to even the most different legal and political systems.

German insurers will be very glad to welcome their old partners and friends from the City as new members of the Common Market. As this European family grows larger, the number of things we all have in common—and obviously also those we do not have in common—will naturally increase. But the first and foremost factor is that our family will become larger and more powerful. British assistance and the British sense of reality will most certainly support and promote the difficult political and legal work still to be done in developing the European insurance market. We are sure that this contribution from the United Kingdom will soon lead to a pragmatic and satisfactory solution of freedom, security and equal possibilities for all.

Regulations — (Cont'd.)

Continued from previous page

These basic differences lead naturally to a difference in philosophy as regards the valuation of insurance assets and liabilities in the Common Market and consequently on the pattern of the business transacted. Therefore differences of opinion must arise as to what extent common regulations can be reached, at least in the near future, bearing in mind the varying market conditions in each country. Ultimately, the reaching of mutually acceptable terms will involve compromise, however, hope that the Common Market would accept a good deal of their philosophy of freedom with publicity which they have already done much to put over in discussions within the OECD and the Committee of European Insurers.

One encouraging feature is the emphasis placed in European circles on the necessity to develop capital markets and the recognition that life insurance as a means of long-term regular saving is an important source of new capital. This may well lead to a strong body of opinion in favour of progressive liberalisation of the existing national restrictions in order to encourage the development of capital markets and ultimately the liberalisation of insurance services in the interests of the Community as a whole. In this connection, it is perhaps fortunate that there has been so little progress with the drafting of directives relating to long-term business, because the British market will have a greater chance of influencing EEC thinking when the U.K. is allowed to take part directly in EEC discussions.

which is likely to happen as soon as Parliament has approved in principle the British application to join.

Certainly there is every reason to believe that British insurance, by virtue of its long establishment and reputation throughout the world, holds the respect of the Common Market countries, although, perhaps, the thought of competing in the future on equal terms with a market which is very nearly as big as the markets in all the other member States combined will produce some understandable fears of competition.

The proportion of business at present transacted within the EEC countries by U.K. insurers is relatively very small. About 50 British companies and Lloyd's account for roughly 5 per cent. of the non-life premium income within the EEC. Only three U.K. companies transact life insurance business in EEC countries, accounting for an insignificant proportion of business. Thus, although there is scope for future expansion in Europe, this will depend first on how much liberalisation of the present restrictions which discourage or even prevent British insurers from doing business on the Continent is achieved and, second, on the encouragement given to long-term savings by monetary and fiscal policies.

Given a reasonable amount of freedom, non-life insurers should benefit from U.K. entry to the Community so long as their other overseas business is not adversely affected. By entering Europe, they could certainly contribute to the development of a flexible, competitive insurance market in Europe, which would confer undoubted benefits on its inhabitants and on the insurers of member countries by increasing the capacity of the market in these days of large industrial risks. Life insurance companies, in particular, could, by encouraging the expansion of savings, contribute to the development of a stable capital market in Europe and thus to the economic strength and stability of the Community. However, liberalisation of insurance has proved to present one of the more difficult problems in the Common Market, and one cannot be too optimistic that any significant progress will be made for very many years.

Profitable life market ready to be tapped

By a Correspondent

If, as seems increasingly likely, the United Kingdom is to form part of the EEC our life insurance industry, which plays such an important part in the economic life of the country, must obviously rethink its long and medium term plans in the light of such a radical change.

One obvious matter which will strike anybody examining the possibilities is the sheer size of the market which will be open to the U.K. industry. The addition of the United Kingdom alone to the present six members of the Community will create a homogeneous market of over 240m. people. But sheer size is not the only factor to be taken into account: we are dealing here with a highly advanced group of countries which represent between them a very considerable proportion of the wealthier countries of the world. This has not only the obvious advantage of presenting insurers with a prosperous market which they can develop but also carries with it the equally important rider that there are many suitable investment opportunities for the funds at the disposal of insurers backed up by highly refined legal, commercial, industrial and medical services.

Vital question

Even this, however, is not sufficient on its own in evaluating the opportunities for expansion. There is also the vital question of whether saturation point has been reached. In this connection a recent issue of SIGMA, published by the Swiss Reinsurance Company (U.K.) Limited contains some most interesting statistics which show among other things that in the five largest members of the present EEC insurance premiums of all types are lower when expressed as a percentage of national income than in the United Kingdom. Furthermore the same study shows that over the years 1959 to 1969 the growth rate of insurance premium as a whole has been higher in each of these countries than in the U.K.

A later issue of the same publication demonstrates that increasing prosperity results in a proportionately greater rate of growth of premium income. There is some indication that in the U.S. at least saturation point is reached at about 10 per cent. of private consumption. The same percentage may not apply elsewhere, but the present members of the EEC have levels of premium income well below this figure.

Certainly it would seem that there is plenty of scope for selling life insurance in the Common Market despite the different attitudes which exist to life insurance in the different countries and the differing impact of personal taxation systems and social security benefits which can be of considerable import for any but the wealthier section of the population.

These broad indications are further confirmed in a paper presented by Mr. T. H. M. Oppé to the Institute of Actuaries

STRUCTURE OF ASSURANCE BENEFITS IN 1960 AND IN 1968

Country	Death benefits		Endowment benefits		Surrenders		Profits participation	
	1960	1968	1960	1968	1960	1968	1960	1968
Germany	34.7	24.9	35.3	39.8	11.3	11.3	18.7	24.0
Great Britain	24.6	21.6	57.7	58.4	14.7	17.2	3.0	2.3
France	32.3	42.5	40.1	22.0	9.3	9.0	18.3	26.5
Netherlands	16.2	12.2	66.6	57.6	17.2	30.2	—	—

Source: Sigma No. 11

earlier this year. He estimated that life assurance and annuity premium income in the five main EEC countries totalled some £1,809m. in 1968 compared with some £1,290m. for business in the U.K. in the same year. The considerable difference in population—that is, some 187m. compared with 56m., seems to indicate that there are ample opportunities for U.K. life insurance companies on the Continent. British insurers, however, being the cautious people they are, will obviously wish to ensure that they are not just set on a course leading to growth for the sake of growth. It must be profitable growth and in the interests of all their policyholders whether those already insured with them or those to be brought within the fold in the future.

The prospects viewed from this angle are far from clear at the present time. Much will depend upon the detailed negotiations still to take place regarding freedom of establishment within the enlarged Community and the later stage of freedom of supply of services. Freedom of establishment in life insurance matters has not yet seen the light of day within the EEC and freedom of supply of services is likely to be even further deferred. This is evidently linked with the object of securing a free flow of capital within the Community and the general economic growth rate generated within the larger market.

Traditionally life insurance companies in the U.K. have been extremely jealous to preserve so far as they possibly can their long-standing freedom from Government control which they have been convinced has stood the test of time. They have emphasised that such freedom, responsibly exercised, is in the interests of the policyholders and of the economy as a whole.

Extreme example

This contrasts markedly with the position in many Continental countries of which France is the most extreme example where life insurance companies are subject to very detailed Government control. This is particularly unwelcome in respect of investment. Life insurance companies cannot do their best for their policyholders which after all should be their first priority, if they are subjected to artificial constraints imposed for a variety of motives of which the interests of the policyholders themselves will not be the only one.

British insurers should, however, take heart. If only they continue to put their case vigorously, as they have done through the British Insurers' European Committee, they will find that their attitude excites the sympathetic support of many of their colleagues on the Continent who for too long have been held back in the development of their business by controls which are either out-dated or over-elaborate, or both. They should certainly not enter the Community with the attitude that they must simply do what they are told. On the contrary, they have the responsibility of making their voices heard in no uncertain manner and backing this up with sound technical arguments.

More difficult

Their task will perhaps be made that much more difficult following the highly publicised failure of a number of motor insurance companies in the U.K. and the calls for a higher degree of control of the life insurance business itself which have been heard with increasing frequency in the U.K. in recent months. Nevertheless, it should be possible for the life insurance industry in the enlarged European Community to obtain, and rightly so, a degree of freedom which corresponds more nearly with that at present obtaining in the U.K. than the situation which is found in some countries on the Continent where companies are denied full commercial freedom to an unnecessary degree which can only be to the detriment of the policyholders.

Assuming that these matters can be resolved satisfactorily—and there is every chance that they will be—British life insurance companies will have the opportunity to secure profitable growth in a relatively stable economic and political environment which can only be for the good of themselves and their policyholders. In seeking to exploit these wider opportunities they will face formidable opposition from companies at present established within the EEC. However, the relative freedom to which they have been accustomed, their experience in developing new types of contracts, such as equity-linked contracts, and their considerable experience of overseas operations will stand them in good stead and enable them to apply the lessons learned to a completely new set of circumstances. Of particular help to them will be their flexibility, their speed of reaction, which is now so much faster than in the

Specialists
in
life assurance
since
1844
Equity & Law



—the first British life office to open a branch on the Continent since the war.

Head Office:

Equity & Law Life Assurance Society Limited,
20 Lincoln's Inn Fields, London WC2A 3ES
Telephone 01-242 6844

Netherlands Office:

Equity & Law Levensverzekering
Lange Voorhout 29, Postbus 997, The Hague
Telephone The Hague 64 78 30



KÖLNISCHE RÜCKVERSICHERUNGSGESELLSCHAFT

(Cologne Reinsurance Company)
Cologne, Germany

Oldest Reinsurance Company in the World
Established in 1846

INA

INTERNATIONAL

The Insurance Company of North America
Founded 1792

is the leading subsidiary of INA Corporation.

INA Group assets exceed £1,000,000,000.

COMMON MARKET?

INA entered continental Europe in 1946 and has developed an outstanding multinational insurance service.

Industrialists expanding into the Common Market are invited to put INA's insurance expertise and experience to work by contacting their brokers.

Head Office for Europe (International)
39 Boulevard de Waterloo, Brussels 1, Belgium.

Principal Office U.K.
34/35 Leadenhall Street, London, E.C.3.

Six Offices in the Common Market

وكيل من الأعمال

INSURANCE AND THE EEC III

Benefits of entry for the British broker

By JOHN DEWEY

British brokers have been concerned for at least ten years with the effect on British brokerage of our possible entry into the EEC.

As the representative of the Corporation of Insurance Brokers at all international conferences on the subject during the last few years, I have thought that I could provide a reasonable answer to the question as to whether we should go into the Common Market. We all appear to be looking into this subject from a very personal point of view. Only those who have taken a wide perspective over the whole of our economy, as has been done in the recent White Paper, can express a balanced opinion, and so far as insurance in general is concerned, and brokerage in particular, there seems no doubt that it would be Britain's interest to enter the Common Market.

The situation so far as intermediaries are concerned differs widely in Continental countries from that applicable in Britain. During the nineteenth century insurance companies gradually moved away from the policy of appointing general agents throughout the large towns from a network of commercial or industrial firms without special knowledge of insurance. The present basis of branches, recruiting business either direct through agents, in this country the position of brokers has become increasingly important and they now control a high

proportion of commercial and industrial accounts, not only in the non-life field, but also in life and pensions business.

On the other hand, on the Continent the main field is still held by general agents holding mandates from the companies whom they represent. They are not employees of those companies as are British branch managers and their staffs, and it is difficult therefore to assimilate British practice with Continental usage.

There has been a strong indication of recent years that the general agents on the Continent are becoming increasingly dissatisfied with the treatment they are receiving from their mandating insurance companies, and there is a strong trend towards their replacement in some countries by branches, the old general agents often becoming brokers. In the future, therefore, it may well be that Continental practice may approach that obtaining in this country.

Power of veto

The Treaty of Rome which set up the Common Market provided for the Control Commission in Brussels to issue directives dealing with various essential matters affecting freedom of establishment and services throughout the Six. These directives are then passed to the Economic and Social Committee of the EEC for further discussion and thence to the European Parliament and Council of Ministers where each member country has in effect a power of veto.

So far as affecting insurance intermediaries, only one such directive has been issued: that affecting freedom of establishment—that is, the suggested rules governing insurance intermediaries in one country who wish to establish an office in another member country. Many points are involved, particularly harmonisation of minimum technical qualifications and financial standing, and brokers in this country can be assured that these requirements will not be more rigorous than the insurance diplomas issued by our Chartered Insurance Institute (the body holding the Royal Charter for instruction and examination for the whole of our insurance industry) or the requirements, for example, of the Corporation of Insurance Brokers, with regard to proof of financial standing. On the Continent, however, education and control of insurance intermediaries in this way have not advanced so far, and much work remains to be done in this harmonisation. If one is to avoid unfair competition between one country and another.

Quite a separate matter is freedom of services—that is, what is known as "insurance by correspondence" and even more work has to be done in this field before any draft directive can be issued from Brussels with a hope of general acceptance. In some countries, for example, policy wordings are laid down by the Insurance Commissioner (a highly placed Civil Servant or Minister) and contract law must also be harmonised if unfair competition is to be avoided.

In the past British brokers may well have considered problems relating to overseas insurance as being of interest only to large brokers already engaged on the Continent either by setting up branches or by endeavouring to effect insurance by post or telephone, but if we go into the Common Market the problem will affect all British intermediaries.

Two points

Two points in particular should be borne in mind. At the present time British brokers are subject to the normal taxation of the country on their general income whether from brokerage or otherwise. In Continental countries, however, there are generally specific taxes imposed on premiums and on commissions. The Value Added Tax does not apply generally at the present time to insurance in the Six, although in France commissions suffer a tax which they call "Value Added Tax." If we go into the Common Market there will have to be harmonisation of taxation, and the insurance industry, both companies and brokers, may find specific taxation levied at the harmonised level agreed within the countries of the Common Market.

We in this country think we are harried by Government departments and have to accept too many regulations, but on the Continent generally we are regarded as being a free country. For example, anyone in this country can put a plate outside his door and call himself an "Insurance Broker" (though not of course an Incorporated Insurance Broker or Lloyd's Broker) but in other countries one has to satisfy strict rules, both as to technical qualification and financial position, and be entered on the appropriate register.

The important thing to bear in mind is that if we are going into the Common Market we must go in soon in order that we may be fully consulted before any future directives are issued in order to ensure that they are reasonable and suitable to our method of working. So far, as the delegate from the Corporation of Insurance Brokers, I have been co-opted to the Common Market Working Party of the Six negotiating with the Control Commission in Brussels even though we are not yet in the Common Market and the said Working Party has taken the representations I have thought it necessary to put forward seriously into account.

Privileged terms

If on the other hand we do not go into the Common Market, those brokers who wish to enter Europe will be prejudiced by the licence given to the Common Market countries in permitting their insurance intermediaries to do business in other Common Market countries on privileged terms.

Having regard to the importance to this country of invisible exports, of which insurance has very materially affected our balance of payments of recent years, it seems essential that our Brokers, whose work contributes considerably to that balance of payments, should not be prevented from continuing that work because we continue as a "Third country" and be prejudiced accordingly.

Under the Treaty of Rome there is, of course, provision for reciprocal arrangements with third countries, but it is doubtful if that provision could outweigh the prejudice we should suffer if we did not enter the EEC.

Lloyd's looks to new opportunities

by SIR HENRY MANCE, Chairman, Lloyd's

The contribution that the Lloyd's market has made towards establishing London as a leading world insurance centre is unquestionable. With over 75 per cent. of its business derived from overseas, Lloyd's is certainly bringing a great deal of asset into the EEC overbalance of payments situation. On the other hand the opportunities for attracting a greater volume of business, both direct reinsurance, from within the Community itself will depend on how quickly the freedom to trade in such services insurance—clearly envisaged in the Treaty of Rome—are implemented. The freedom to conduct reinsurance business across frontiers has already been confirmed in the first Insurance Directive. However, in the case of unfair practices, or as a new terminology has it, "distortions" in competition, led to some suggestions of one transitional period before direct business can flow freely across frontiers within the Community.

This poses a particularly important problem for Lloyd's, the unique system under which we operate—and from which stems our expertise and flexibility, coupled with our high security—depends fundamentally on maintaining a flow of business to the Lloyd's market in London through the medium of brokers and not through branches and agencies set up overseas.

Direct business

Community member States have their own insurance regulations, protecting the domestic market against the overseas insurer who wishes to free to offer his services. This is direct business of marine cargo transport business, where the competitive international trading element has doubly played a part in opening the market free: but the whole of the insurers of the Six, with some exceptions, have hitherto been concerned with their own markets, and their contribution to world insurance outside the Community, apart from reinsurance, has been very small. With British entry into the Community, this is bound to change: much and how rapidly will depend greatly on the influence which the British insurance market can bring to bear on a situation both directly and through the prospective British presence in Brussels.

It is worth noting that without such an influence there might be a real danger of the Community getting up insurance control systems designed over all to protect the home market rather than to expand externally. Such systems might well become prototypes in other areas in the world and lead to a general reduction

in international insurance business. If this were so the effect on the British market and Lloyd's in particular could be extremely serious.

In any consideration of new markets the fact of competition has to be faced, and undoubtedly an outward-looking European Insurance Industry will mean additional competition for some business at present regarded as a Lloyd's preserve. However, competition has always been a part of life at Lloyd's and the market has always operated on a delicate balance of co-operation and competition. To compensate for any business we might lose, however, the opportunities in Europe would seem to be considerable.

Overseas markets

The ability to reach workable arrangements in overseas markets without losing the right to quote competitively, particularly on "tailor-made" terms to suit special cases, has always been one of the attributes of the Lloyd's underwriter, ably assisted by the Lloyd's broker. To take one example, the fact that international trade between the Community members has expanded during the last decade more than three times the rate of world trade growth could indicate opportunities for British insurers to expand their portfolios.

At present the amount of direct insurance business derived from the Common Market is relatively small. The very fact that the enlarged Community will represent the biggest unified trading block in the world suggests that this amount will grow, given any situation of reasonable freedom to provide insurance among Community members.

This is not to say that the Lloyd's share of insurance in the Community will grow instantaneously. In recent years much insurance business in Europe has been unprofitable and, whatever the freedoms granted, the volume of the flow of business will finally be governed by its profitability. The very fact that insurers throughout the Community are now working closely together in order to achieve a practical set of Directives in Brussels (and already British insurers, including Lloyd's are involved in these discussions) suggests that in future co-operation as well as competition will play its part in an enlarged Community.

Whatever the new insurance opportunities in Europe may be, and they are certainly considerable, there is one matter of substantial concern for Lloyd's and indeed for all British insurers. This concern relates to the freedom at present granted to insurers from outside the Community, to operate

in this country, a freedom which we have always allowed and which has undoubtedly been reciprocated in many parts of the world, thus playing a big part in the development of our international account. Although provision for the licensing of such third country insurers is made in the draft Establishment Directive for Insurance, it will be important to see that the whole system of international insurance and reinsurance is not put in peril by unnecessary restriction, particularly in the matter of the location of reserves and assets.

In saying this I do not advocate any lowering of the standards of solvency which are essential to maintain security on an agreed basis. The protection of the assured by adequate solvency margins and technical reserve regulations has long been an agreed basis for all the discussions in Brussels, although it is not so easy to agree what the margins or regulations should be. The Lloyd's method of accounting, with its chain of security, including unlimited liability of its members, has yet to be fitted into the still embryonic Community system.

One of the problems in this changing situation is that of the transitional arrangements, and here matters are as yet far from clear. Certainly inequalities in such subjects as taxation of insurance and insurance contract law can, pending harmonisation, introduce distortions into competition between member country insurers, but solutions to such problems have been found in the past and our experience in other parts of the world will be helpful on this.

Transition period

The main difficulty seems to derive from the fact that, apart from the Reinsurance Directive, neither the Directive regulating the establishment of insurance branches or agencies nor the Directive regulating the offering of insurance services across frontiers has yet been finalised, nor is it likely that they will be until 1973, although the Establishment Directive is in almost completed form. These Directives themselves will then contain provisions for a period of transition before full implementation.

It is essential that satisfactory temporary transitional arrangements are developed in order to enable existing business to continue unchecked in an enlarged Community, and that opportunity is given for British influence to make itself felt in the drafting of such arrangements.

I remain confident that Lloyd's has an important part to play in an enlarged European Community of expanding trade and prosperity. We have never before had the opportunity of sharing in such a large market, governed by insurance regula-

tions formulated by a Commission and Council in which we as a nation will have a substantial administrative and political say. In these circumstances we shall have every opportunity to bring to bear all the traditions of freedom to trade on which Lloyd's has thrived for so many years.

Can you see your way into Europe?

Britain's way into the Common Market may be reasonably clear. Less clear are the detailed procedures which her producers will follow in marketing their wares to the Six.

And one of the darkest areas of all concerns

insurance. Suppose you were on the point of opening up for business throughout the Common Market.

How would you set about insuring your cars, your lorries, your local offices, your depots, your stock and all your other necessary accessories?

How would you be sure of getting the best possible insurance cover and terms from insurance companies abroad?

How would you pick your way through all the varying rules and regulations,

Looking forward to Continental Expansion?

Whatever your business, there are some risks that can't be avoided. Especially when you are operating beyond the United Kingdom.

Most of these risks are insurable.

Make sure you get the best advice.

In Continental matters the Norwich Union possesses the vital expertise that comes from day-to-day experience.

Since the early days of our 170 years of existence, we have been active in Europe, building up an unsurpassed fund of knowledge on insurances for Continental trade.

In the EEC, or elsewhere in the world, you'll get fair terms and first-class help from Norwich Union. See your insurance broker or our nearest branch for guidance on home and overseas insurance—the Norwich Way.



Head Office: NORWICH, NOR 88A

Branches and agencies in many European cities, including PARIS, ANTWERP, BRUSSELS, HAMBURG, COLOGNE, BREMEN, ROME, MILAN, AMSTERDAM, ROTTERDAM.



which differ substantially from country to country?

A CIB broker will advise you about all these, because it is his business to do so. Sometimes, he will be able to arrange cover for you. Othertimes, he will put

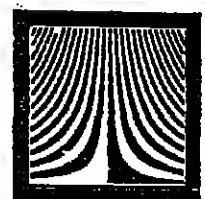
you in touch with continental companies of solid worth. And the Corporation itself is one of many organisations working towards bringing all the multifarious and often conflicting continental practices together.

A CIB broker is qualified to guide you through the current confusions.

If you'd like a list of all CIB member firms, in all parts of the country, just drop us a line or give us a ring.

CIB

The Corporation of Insurance Brokers
15 St. Helen's Place, London EC3A 6DS. 01-388 4387



The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHIDTERS

INSTRUMENTS

Thickness measured

AN IMPROVED system of measuring the thickness of a plastic film has been devised by a team at Cambridge Consultants. The company considers the resulting instrument to be one of its more significant products, since about 4m. tons of film are made in Britain annually at the moment and the material is used in practically every industry in the country.

It is important for a manufacturer to be able to monitor the thickness of his film product as it is being made—the thinner the film, the more difficult the task of measurement and the more important that it should be carried out correctly.

The method devised by Cambridge Consultants is to project infrared radiation of two wavelengths through the material. These are chosen to suit the film in production, one for maximum absorption and one for maximum transmission. Filters are used to select the wavelengths required from a parallel infrared beam; after passing through the material, the two wavelengths are picked up by a solid-state detector and electronically processed to give a measure of film thickness.

Up to six infra-red filters can be held by the source so that the thickness of the laminates in a composite film can be determined simultaneously.

The gauge can have a response time as short as 10 milliseconds if accuracy is not the prime consideration. Most of the companies who have seen and discussed the prototype are, however, interested in equipment with a slower response but accuracies of the order of one or two per cent. Typical times would be under a second.

Films from 2 microns to 3 mm in thickness can be handled by the instrument which is a small, robust, non-contacting design. It is particularly suitable for installation as part of an on-line control system.

For the time being Cambridge Consultants is making the equipment itself and may contract out the manufacture of the sub-assemblies, reserving final accurate construction for itself. This is a new departure for the company which is primarily a contract research and development organisation.

For quarter, half and full bridge energisation. It also incorporates a fully temperature-compensated integrated circuit d.c. amplifier with switched gains up to 30,000, which provides 100 microstrain F.S.D. on the most-sensitive range with five microstrain, or 2 per cent. of F.S.D. accuracy (whichever is greater).

Output appears on a meter or can be fed to an oscilloscope. The unit has a flat frequency response from d.c. to 1kHz and is internally calibrated.

It is available with any of three alternative power supplies, dry batteries, rechargeable cells with built-in charging circuit, or mains supply. The low bridge energisation of 4V allows the unit to be used with most wire or foil gauges, and includes a calibrated gauge factor control from 1.85-2.15.

A 25-channel switch and balance unit, type E15, is also available to work with the meter.

Checks on the heart from afar

THERE can be little doubt that an athlete forcing the pace during a gruelling race or in an attempt at some major record is putting his heart and circulation under very great strains. Just how great these are has so far been somewhat difficult to measure because of the fact that the individual was particularly mobile at the moment when the strains were being undergone.

The equipment shown here has been devised by the Siemens organisation, D-8000 Munich 1, Postfach 103, West Germany, to bridge this gap.

In the application illustrated, the subject is carrying out training for one of the most exacting events, the 10,000 metres in which the men race against the clock and tax their reserves to the utmost. The equipment at the edge of the track has been

devised by Siemens to capture the electrocardiograms of the athletes as they are produced and record them for future examination after the event. However, the work done on this particular application has possibilities in many other areas when it comes to observing the

action currents of the heart. Since no wiring connection to the equipment is needed, this means that any subject can be observed in any work or other situation without having to do more than ensure that the antennae do not interfere with what he has to do.

There are many organisations which could benefit from being kept up-to-date with the significant progress we are making in the development of software as an independent product," Mr. A. R. K. Hardcastle, chairman of SHA, has stated. The new associates include, for example, certain management consultants, computer hardware and peripheral manufacturers, bureaux, research bodies, users who have large software capabilities, and overseas software houses. A number had already asked if there was any way in which they could be associated with the work of SHA, without becoming members. Software houses in the U.K. who may not yet be considered eligible for membership of SHA may be granted associate status and would then have the right to have their application for membership reviewed at annual intervals. All associates will have the right to attend general meetings of the association and participate in the proceedings; nominating representatives who can be asked to sit on technical and specialist committees established by the association; make representations to council on matters of interest and importance to the association and the industry generally; and elect a committee of associates who may appoint one to attend a council meeting when matters affecting associates are under review.

Indicates the strain

A PORTABLE strain meter suitable for use in both education and industry has become available from Tecquipment, Clinton House, 29, Sherwood Rise, Nottingham.

Designated type E 10, it can be used on its own, or with a switch

and balance unit, for laboratory or field testing of static or vibrating structures such as bridges, buildings, cranes and hoists. Measuring 3.15 by 12.1 by 6.3 inches and weighing 12.5 lbs, the single-channel unit is direct reading with complete circuitry

TRANSPORT

Distribution as an art

NO MATTER what the product, management is faced with increasing distribution costs, partly a natural function of higher wages and, if the company is expanding, of longer delivery lines.

Consultants and companies have tackled this mainly by optimising vehicle routes, and these have been, in the main,

only partially successful. The reason for this could well be that few companies look at distribution as a whole, and so the improvement in one area is negligible in the context of the whole operation.

Now, the Management Studies Centre, in conjunction with Scico, is organising a two-day conference on Distribution Management on September 1-2. This will deal with all aspects of the problem from the overall philosophy of a distribution system to such details as manpower planning. From the viewpoint of the company considering a reorgani-

sation of distribution, probably the most important contribution will be an examination of case studies on depot siting and route planning carried out by Wim Hoeksma and Peter Alsbury of Scico. These will be concerned with the costs of alternative methods and the savings in both time and manpower that can be achieved in the medium term.

So far, response from industry has been good and the companies feel that this indicates that there is a general trend towards more detailed planning of transport schemes than has been apparent in recent years.

COMPUTERS

Software association expands

ORGANISATIONS not eligible for membership of the Software Houses Association, but which have significant experience of computing and wish to contribute to the association's work may now become associates, it has been decided.

There are many organisations which could benefit from being kept up-to-date with the significant progress we are making in the development of software as an independent product," Mr. A. R. K. Hardcastle, chairman of SHA, has stated. The new associates include, for example, certain management consultants, computer hardware and peripheral manufacturers, bureaux, research bodies, users who have large software capabilities, and overseas software houses. A number had already asked if there was any way in which they could be associated with the work of SHA, without becoming members. Software houses in the U.K. who may not yet be considered eligible for membership of SHA may be granted associate status and would then have the right to have their application for membership reviewed at annual intervals. All associates will have the right to attend general meetings of the association and participate in the proceedings; nominating representatives who can be asked to sit on technical and specialist committees established by the association; make representations to council on matters of interest and importance to the association and the industry generally; and elect a committee of associates who may appoint one to attend a council meeting when matters affecting associates are under review.

ternally by special tiles which will withstand repeated fires at temperatures up to 1,000 deg. C, as well as water and steam from fire fighting. Every section has been designed to simulate the real thing with dimensions as close as possible to what a team would meet in a dockside incident. The mock-up of the engine room has the full height of a standard unit and is fitted out with copies of the machinery and equipment normally found on board. Forward end aft holds have the same entry points as would be found on a normal vessel end deck houses and the galleys, etc., are constructed with the trunking and other conduit which any cargo ship would generally have.

AN inductive displacement transducer 6.35 mm long and weighing 3g for use in inaccessible positions is now available from the transducer division of Sangamo Controls, North Bersted, Bognor Regis, Sussex.

Designed to measure static and dynamic displacement, proximity and speed in a wide variety of industrial end research applications, the T2 "mini" transducer can measure displacements up to 0.4 mm. The displacement can be measured of all metallic materials, with the exception of a few special non-magnetic alloys with low conductivity. However, in such cases a 0.010 thick wafer of soft iron or mild steel applied to the surface will enable the displacement to be measured. The operational temperature range is -10 degrees C to +100 degrees C.

Before application of the primer the usual surface preparation must be made, preferably by shot blasting.

PRODUCING tapered and/or reducing operations on tubes and pipes by swaging can be achieved at rates up to 250 pieces per hour and in diameters from 1 inch to 31 inch on an Italian machine now available in this country through The Addison Tool Company, Heron Trading Estate, Westfields Road, London W3 6RE.

Claimed to use a new approach, the machines are fitted with two half dies, machined and ground to the negative form of the shape

required. The dies are housed in a fly-wheel, and are surrounded by rollers which when driven round the dies exert intermittent pressure on the workpiece, gradually shaping it at the rear of the dies. As the rollers rotate they produce a hammering (or swaging) effect, shaping the tube as it is pushed, manually, hydraulically or pneumatically into the dies.

Accessory tooling is available for doming tube, that is, producing a hemispherical closure. One model is capable of producing a round taper on square tubing.

To increase production automatic hopper feeders can be fitted which can accommodate 8 feet long tubes.

METALWORKING

Marking metals

SEMI-AUTOMATIC marking machines specially suitable for small to medium batch production runs of items like small tools, instruments, electrical and

electronic components, have been introduced by Lectroetch (Great Britain).

Known as the model 3800, the machine can produce up to 2,000 permanent marks per hour on conductive metal surfaces. It can produce consistent and accurate black or bright etch marks for such purposes as batch numbers, part numbers, manufacturers' names or trade marks.

Costs can be as low as 4p per

thousand marks, according to the company. The unit is electronically controlled, while the ram is pneumatically actuated by means of a foot switch.

Incorporating a timer by which the intensity and depth of marks can be controlled, the machine requires an air line of 20-25 psi. Marking heads and stencils are rapidly interchangeable and the stroke of the ram and the height of head are adjustable so that components up to 5 inches high can be accommodated.

The model 3800 costs £210. Lectroetch is at Spur Road, North Feltham Trading Estate, Feltham, Middlesex.

Costs saved on vehicle assembly

CAR makers, committed to a market that is becoming increasingly competitive, are looking for ways of reducing both labour content and the number of operations needed for a particular assembly.

One simple example of the way in which costs can be reduced in this area is given by Jaguar, which has recently gone over from brazing to an adhesive method of assembling its seat reclining levers on the V12 E Type.

Previously, the company brazed two levers into a central rotating boss, which meant that subsequently, the assembled part had to be polished before plating. On a part such as this, the labour cost involved in the brazing would also be substantial.

Recently, Jaguar has adopted another solution, based on an adhesive supplied by the Douglas Kane Group of Welwyn Garden City, Hertfordshire. Using a product known as Tubeweld, it was possible to attach the two arms of the mechanism to the central boss more quickly than had been done by brazing. In addition, since the adhesive is anaerobic, which means that it will cure only in the absence of air, it is a simple matter to wipe off excess adhesive after the joint has been made.

Polishing is therefore unnecessary, and the part can be passed directly to the plating shop. Although Jaguar is unwilling to talk about exact cost savings on this change of method, these are said to be substantial.

Primer protects metal

POROSITY is often a problem when welding primed pipes, especially when high speed welding, or automatic processes are used. Pillar Engineering Supplies, Waldegrave Road, Teddington, Middlesex, claim to supply a primer guaranteed not to cause porosity, which is stated to be prevented by a special ingredient.

The primer, called Guard, uses a resin constituent which through the interaction of primer and substrate during drying, forms a hard and durable coating. It will not blister on heating or flake when struck, will accept almost any subsequent paint system, and is unaffected by storing or baking.

Pillar state that the abnormally low surface tension of the product increases surface coverage, saving costs and producing an even coverage of shot-blasted or rough surfaces. Another special ingredient renders the corrosive combinations inactive.

Before application of the primer the usual surface preparation must be made, preferably by shot blasting.

PRODUCING tapered and/or reducing operations on tubes and pipes by swaging can be achieved at rates up to 250 pieces per hour and in diameters from 1 inch to 31 inch on an Italian machine now available in this country through The Addison Tool Company, Heron Trading Estate, Westfields Road, London W3 6RE.

Claimed to use a new approach, the machines are fitted with two half dies, machined and ground to the negative form of the shape

Assessing lathe performance

FACED with the choice of lathes made by different manufacturers but of apparently similar capacity, cost and delivery, the customer might be influenced in his decision by the most persuasive salesman, or might choose the machine which fitted his factory colour scheme.

Now he can reach a more logical decision by following a test procedure developed by the Machine Tool Industry Research Association, Huxley Road, Huddersfield, Maclesfield, under contract from the Department of Trade and Industry. Despite the large number of factors which can affect the cutting performance of a lathe, the relatively simple test procedure will give results which will be accurate to 10 per cent and tests can be formulated for other types of machine tool.

Standard work pieces are mounted in the lathe, and a standard tool is used to make a cut of steadily increasing depth. The depth of cut producing chatter (that is, the maximum satisfactory cutting limit) is noted, and the results compared with those obtained from similar lathes under test. A report describing the test procedure, the precautions to be taken, and how to determine the significance of the results is available from MTIRA at £12. The tests are known as dynamic performance tests.

It is relatively easy to measure the geometrical accuracy with which machine tools are made and operate, and most machine tools are tested in this way. But it is not so easy to measure in a meaningful way the dynamic performance of a machine tool—the rate at which it can remove metal from a workpiece while still producing an acceptable surface finish.

A limitation on metal removal rate is a violent vibration, known as chatter, which increases tool wear and reduces the surface finish, results in poor surface finish and limits production rates. The MTIRA work has produced a method by which chatter can be measured and compared between similar machines.

PRODUCTS

High-speed carton die router

FIRMS in the carton making industry who read an item on this page on Friday August 6, headed "Another way to make carton dies" may like further details of the die router used.

The router and the special plastic die board was invented and is supplied by W. Notling, of 17, Bowling Green Lane, London, EC1R 0BE. As already explained, instead of having to draw and cut each carton's folding and cutting rule slots individually, a steel template is made. The operator uses a running nose cone located in the template slots to guide the router at speed of about 12 inch/minute. The plastic die board is hand traversed on a highly polished worktable.

Using a high-speed electric motor running at 43,000 rpm, the router cuts the die board four times as fast as a conventional hand cut die, and with greater accuracy. The die board is available in two thicknesses—15 and 18 mm—and the router cuts completely through the board. Router bits are available for cutting slots to standard rule sizes of 2, 3 or 4 point.

Five carton makers and one trade die shop have already installed the equipment.

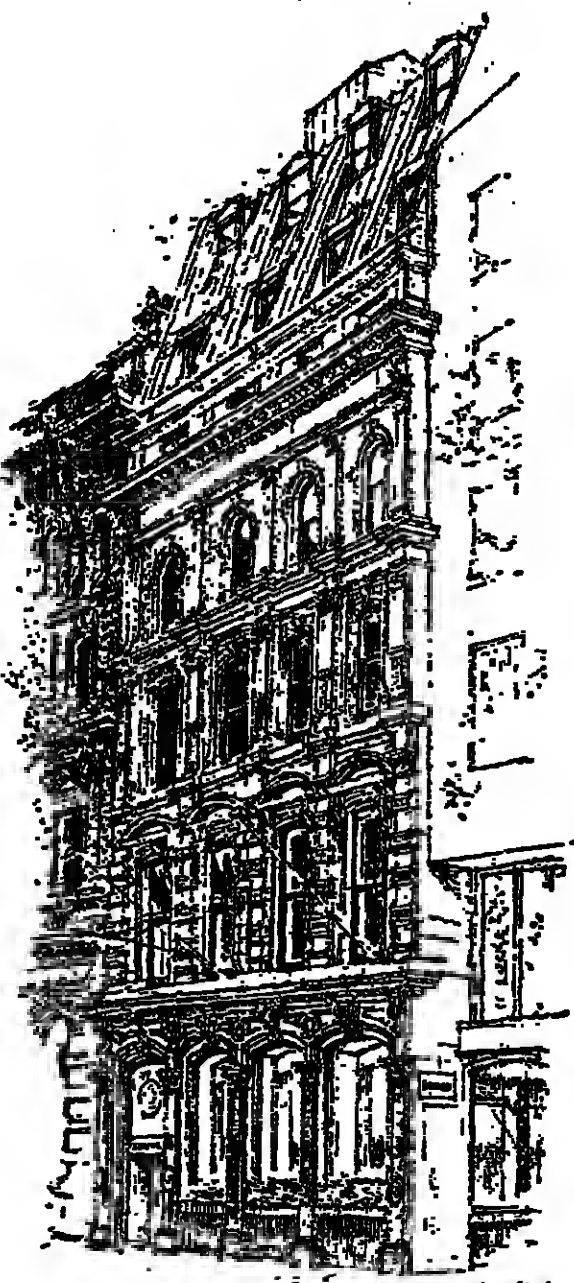
Find imaginative solutions to your international financial needs at 38, Lombard St..

The Northern Trust Bank's London branch can provide every banking service that a multinational corporation requires.

We provide Eurodollar and other Eurocurrency loans, foreign exchange, import-export financing, and current and deposit accounts—all serviced by experienced staff members who know how to solve your company's specific financial needs.

The Northern Trust's capability in international banking has been developed through 80 years of service to customers throughout the world. The facilities of our full-service London branch are supplemented by those of our Chicago headquarters, The Northern Trust International Banking Corporation in New York, and a global network of business and correspondent bank affiliations.

Learn how The Northern Trust's bankers in London fulfill a tradition of providing individualized, imaginative services. Contact W. James Armstrong, Vice President and Manager.



NORTHERN TRUST BANK

THE NORTHERN TRUST COMPANY
LONDON BRANCH: 38, LOMBARD ST. EC3
TELEPHONE 01-603-1101 TELEX 884941
HEADQUARTERS: CHICAGO, ILLINOIS 60606

CONSTRUCTION

Topping out a ship

BECAUSE firemen in services which cover coastal waters may, from time to time, be called on to cope with blazes on board ships, their own particular technical college at Moreton in Marsh, Gloucestershire, has itself just topped out a "ship".

The vessel in this case is a structure which simulates all the main units of a sea-going unit, designed so that fire-fighting teams have easy access to every section. It resembles the mid-portion of a dry cargo unit of 3,000 grt measuring 120 by 40 feet, consisting of decks and bridge, forward and aft holds, an engine room, galley, holds and other quarters.

Mainly of reinforced concrete, the building is protected in

Inductive transducer

AN inductive displacement transducer 6.35 mm long and weighing 3g for use in inaccessible positions is now available from the transducer division of Sangamo Controls, North Bersted, Bognor Regis, Sussex.

Designed to measure static and dynamic displacement, proximity and speed in a wide variety of industrial end research applications, the T2 "mini" transducer can measure displacements up to 0.4 mm.

The displacement can be measured of all metallic materials, with the exception of a few special non-magnetic alloys with low conductivity. However, in such cases a 0.010 thick wafer of soft iron or mild steel applied to the surface will enable the displacement to be measured. The operational temperature range is -10 degrees C to +100 degrees C.

Before application of the primer the usual surface preparation must be made, preferably by shot blasting.

PRODUCING tapered and/or reducing operations on tubes and pipes by swaging can be achieved at rates up to 250 pieces per hour and in diameters from 1 inch to 31 inch on an Italian machine now available in this country through The Addison Tool Company, Heron Trading Estate, Westfields Road, London W3 6RE.

Claimed to use a new approach, the machines are fitted with two half dies, machined and ground to the negative form of the shape

required. The dies are housed in a fly-wheel, and are surrounded by rollers which when driven round the dies exert intermittent pressure on the workpiece, gradually shaping it at the rear of the dies. As the rollers rotate they produce a hammering (or swaging) effect, shaping the tube as it is pushed, manually, hydraulically or pneumatically into the dies.

Accessory tooling is available for doming tube, that is, producing a hemispherical closure. One model is capable of producing a round taper on square tubing.

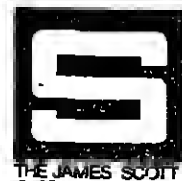
To increase production automatic hopper feeders can be fitted which can accommodate 8 feet long tubes.

Intake of orders for the Group up to middle of June is slightly higher than for the corresponding period last year. The orders for the subsidiaries abroad have increased materially.

This year the operational activities of Massot et Olsider, S.A., and Chas. Mildé Fils et Cie, S.A., were amalgamated into one operating company, Mildé-Massot-Olsider, S.A. Your company owns 65% of this new company, which at present is operating at a turnover of £4,000,000 per annum. Consequently it is of a size which will enable it to continue to take a prominent share of the electrical installation work in France, and should Britain enter the Common Market your company will be in a favourable position for future operations throughout the Continent. The company is already operating in Greece, Yugoslavia, Holland, Belgium, Norway, and on the Ivory Coast.

The Israeli Group with its subsidiaries in Ashdod and Haifa is continuing with a high rate of order intake and production and anticipates another successful year.

Contracting activities continued at the same high level as last year. The £3,000,000 Drax Power Station contract is proceeding satisfactorily as are the other large contracts. Substantial contracts obtained since last year's report include a £2,000,000 cable contract for Hartlepool's Nuclear Power Station and a £450,000 project for a hospital in Fiji.



JAMES SCOTT

(ELECTRICAL HOLDINGS) LTD.

One of Britain's largest organisations engaged in contracting in the United Kingdom and overseas for electrical installations, instrumentation, heating, air-conditioning and overhead line transmission and distribution.

Salient points from the Statement by the Chairman, Mr. I. Scler, C.Eng., F.I.E.E.

Group profit for the year ended 31st January 1971 before tax is £389,509 compared with £526,877 in the previous year. Total dividend recommended is 10% compared with 16%.

Owing to high incidence of inflation and accelerated wage settlements, the Directors consider it prudent to conserve working capital by proposing a reduced dividend.

The profits were in the main earned abroad as conditions in the construction industry in the United Kingdom have been difficult. Turnover for the year is £23,800,000 compared with £21,900,000 last year.

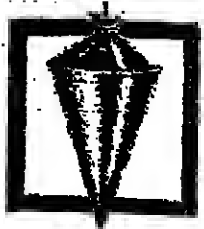
Contracting activities continued at the same high level as last year. The £3,000,000 Drax Power Station contract is proceeding satisfactorily as are the other large contracts. Substantial contracts obtained since last year's report include a £2,000,000 cable contract for Hartlepool's Nuclear Power Station and a £450,000 project for a hospital in Fiji.

In the United Kingdom, though conditions are still difficult, we are maintaining our share of the market and are applying economies and tighter controls. With the discontinuance of certain unprofitable activities and with the economies effected we can look forward to reduced losses and increased profits in certain branches and subsidiaries resulting in overall increases in profitability in the future.

Copies of the Report and Accounts can be obtained from the Secretary, James Scott (Electrical Holdings) Ltd., 80-110 Finnieston Street, Glasgow, C.3.

Principal Centres of the Group

Glasgow	London	Tel Aviv
Edinburgh	Manchester	Grenoble
Oxford	Liverpool	Paris
Perth	Nottingham	Bordeaux
Dunfermline	Winchester	Moscow
Aberdeen	Southampton	Tehran
Newcastle	Cardiff	Ashdod



Building and Civil Engineering

£6m. hospital first stage awarded to Laing

FIRST stage of a £14m. hospital complex in Freeman Road, Newcastle, is to be undertaken by Laing Construction. Awarded by the Newcastle Regional Hospital Board, the £6m. contract should start this month and provide 750 beds. Completion is scheduled for May, 1975.

The first stage comprises a 7-storey ward block to provide space for 370 beds, a 4-storey podium block with operating theatres, X-ray and outpatient departments and a 3-storey cardiothoracic block containing theatres, plus boilerhouse, ancillary blocks, works areas, car parking and drainage.

Design of the 35-acre scheme is by L. K. Pollister, architect to Newcastle Regional Hospital Board. The structural consulting engineers are Ove Arup and Partners, and landscape architects are Hackett and Robson. Construction will generally be of reinforced concrete frame with precast columns and in situ

concrete floors, while cladding will be of traditional facing brickwork. The main ward block will contain beds for such cases as general surgery, geriatric medicine, urology, general medicine, orthopaedic surgery and children. It will also contain facilities for administration and records, medical photography and a geriatric day unit.

Also in the block will be an inter-denominational chapel to seat 100. A feature will be a hospital teaching centre designed to serve 1,310 nursing staff and 180 medical staff.

The podium block will be the centre of diagnostic and treatment facilities and will also form the main entrance to the intake and distribution of supplies to the whole hospital. There will be a staff restaurant to seat 330, and a kitchen capable of producing 2,000 meals for patients and staff.

Outpatients' department will be sited in the podium block and it will have a physical medicine

unit including a gymnasium and will be of traditional facing brickwork. The main ward block will contain beds for such cases as general surgery, geriatric medicine, urology, general medicine, orthopaedic surgery and children. It will also contain facilities for administration and records, medical photography and a geriatric day unit.

This is one of the most ambitious projects ever undertaken by Newcastle Regional Hospital Board and the first phase alone is expected to cost about £8m. to build and equip.

In addition to all the standard hospital departments, the Freeman Road complex will also offer a number of specialist services including a sophisticated heart and lung unit expected to attract world-wide attention.

The wards have been designed for the greatest flexibility in use. Each floor will have four wards of 30 beds each, but the wards will be left open-ended so that beds can be removed or added to an adjoining ward according to need.



THESE high-rise blocks of flats in Madrid, being built by Laing Iberia S.A. (Spanish member of the Laing Group) are being clad with brick by men working from suspended platforms. This system, using metal platforms similar to window-cleaners' cradles, suspended from temporary cantilevered beams installed on the top of the steel-framed buildings, is said to achieve quicker and cheaper erection than with traditional scaffolding. These platforms are being used to complete nine blocks of five, nine and 15 storeys within an 18-month contract valued at £500,000.

The project requires 2m. facing bricks and 3m. bricks for internal walls. Altogether 182 flats are being built for a savings bank which, with the aid of a Government loan scheme, will offer them for rents of between £15 and £18 per month. Equipped with electric central heating, each flat will have two balconies. In the tower blocks the flats will have four bedrooms while the medium-rise blocks will have three-bedroomed flats. Architect is Agustín Delgado de Robles with R. Castellanos and A. Fernandez as technical consultants. The ground floor of each block will be left open for children's play areas.

Costain to extend airport and build a brewery

GLASGOW Corporation has awarded Costain Civil Engineering a £1.5m. contract to extend the main runway at Glasgow Airport and the company has also been awarded a £200,000 contract to build a brewery in the Seychelles Islands.

The Scottish job calls for a 1,400-foot extension and the overslabbing of the existing runway by the addition of 4 inches of asphalt.

Much of the work will have to be carried out at night in order to minimise disruption to airport traffic, but despite the restrictions the contract is scheduled to be largely finished by next June.

The runway extension, giving a total length of 8,400 feet, will consist partly of 8 inches of reinforced concrete, topped with asphalt and partly of 14-inch-thick reinforced concrete.

Besides the construction of two service tunnels beneath the extended runway and taxiway, other work includes associated taxiways and a concrete holding apron as well as a new drainage system and facilities for incorporating runway lighting by a subsequent contract.

In the Seychelles, where Costain is to build the islands' first brewery, the company has recently completed a large airport contract involving extensive land reclamation.

The brewery project calls for a single-storey steel framed building with special cladding, to include cold rooms, bottling stores and the complex brewery plant.

To be located on Mabe, the main island in the Seychelles, the scheme was awarded by Seychelles Brewery—a company whose principal shareholders are Haase Brauerei, of Hamburg, Guinness (Overseas), East African Breweries and Allied Maltsters.

The brewing plant will be installed by specialist subcontractors working under the supervision of Haase Brauerei. Work is about to begin for completion early next year.

Newcastle Polytechnic enlarged

WORK worth more than £750,000 has been won by the Bowey Group, of Gosforth, Newcastle-upon-Tyne.

Ralph Bowey and Son, the group's building company, has been awarded a £204,000 contract by Newcastle City Council for a teaching block at Newcastle Polytechnic. Work should start in the next few weeks and is scheduled for completion by May, 1973.

The block will form the second stage of the Polytechnic's Northumberland building, which was built in 1967. This extension will be a five-storey L-shaped block linking up with the existing building. It will provide both general and specialist teaching rooms for construction and industrial administration. There will also be lecture rooms, staff workrooms, communal rooms and toilet facilities.

William T. Wallace and Son, Bowey's civil engineering subsidiary, has won a £118,000 roads and sewers contract for work at Washington, County Durham, new town. It is also to construct

a subway for Tynemouth Corporation. Work valued at £200,000 has also been won by other subsidiaries and the group's small works division.

Norwest's £3.7m. job

MERTHYR Tydfil County Council has placed a £3.7m. order with Norwest Construction (Civil Engineering) for the construction of a trunk sewer.

The contract involves the laying of about 11,000 metres of trunk sewers—mainly 1,200mm to 1,850mm diameter—together with branch sewers, storm overflows, manholes and retaining walls from Toned-Y-Rhiw to Cilfynydd.

Also included are three triple pipe inverted syphons under and five pipe crossings over the Taff river. It is proposed to sub-contract to Mitchell Brothers Sons and Co. the tunnel portion of the contract, on which it is anticipated that compressed air work will be required, according to Norwest. Work has now started on the 30-month contract, for which the consulting engineers are Sir Herbert Humphries and McDonald.

Plastic trough floor formers

REPLACING the steel formers and lattice ribs employed in the Kaiser floor system are injection moulded polypropylene T forms which are used to produce a one-way spanning ribbed concrete floor with 125 mm wide ribs at 600 mm centres.

The T forms are manufactured to a basic length of 750 mm by GKN Floors, St. Ives House, Maidenhead, Berks. SL6 1QZ. The forms are open-ended, and can be over-lapped to fit most spans. They are available in four depths to provide trough voids 175, 250, 325 and 400 mm deep. A minimum concrete topping of 50 mm may be used.

The T forms can be erected on a skeletal support system, eliminating the use of a full deck, and can be removed 2/3 days after pouring, leaving the floor propped until the concrete is fully cured. The forms store easily, and, the maker states, have a good re-use life.

Covered-in berths

CONSTRUCTION of two covered shipbuilding berths at the Woolston Shipyard of Vosper Thornycroft is to be completed by autumn 1972. The berths will be 450 feet long, and consist of steel framed buildings on piled foundations, about a third of which will be below high water mark, complicating the piling schedule. The buildings will be sheet metal clad.

George Wimpey and Co. has been awarded the £800,000 contract, which includes the design, fabrication and erection of steelwork (to be carried out by Conder under sub-contract), J. H. Carrubers and Co. is supplying two 40-ton and two 5-ton cranes.

Sussex sewage scheme

The 18-month study is being carried out under the auspices of the Food and Agricultural Organisation and the International Bank for Reconstruction and Development.

The eventual development value of the project is reckoned to be in the region of \$3m-\$5m.

Admiralty Research Department, Maxwell Stamp Associates, economists; Wallingford Hydraulics Research Station; and Cooper Bros., accountants.

£1m. City offices for store group

OFFICES for International Stores are to be built at Mitre Square, London, E.C.3, under a £1m. order placed with Trollope and Colls.

Work is to be carried out in two phases with overall completion scheduled for 1974. The site is within the City's Roman Wall and is adjacent to the client's present offices—part of which are to be demolished during the contract.

The buildings, designed by Joseph and F. Milton Cashmore and Partners, will consist of a 9-storey block with two 3-storey flanking wings and a basement to include car parking.

A modern computer hall and staff dining facilities together with all services are to be provided. The structural frame is of reinforced concrete and the brick fabric is clad with reconstructed stone.

Bridges in Wales

THREE river bridges, with a combined value of around £200,000, are to be built in Wales by Holland and Hannen & Cubitts (Civil Engineering). The largest of the three is a bridge over the River Dyff near Machynlleth, for Montgomeryshire County Council, to replace a temporary steel structure erected when the original bridge was swept away during floods.

The new bridge will be of precast concrete deck construction with two insitu abutments and a central pier in the river. An £80,000 steel deck bridge will replace an existing structure at Pont Eimon near Tregaron for Cardiganshire County Council, and a £38,000 bridge widening scheme is being carried out at Abercrom, Cardiganshire, for the Welsh Office.

The new bridge, which will carry the A487 Bangor to Fishguard trunk road over the River Aeron will be widened, together with its approaches, and the entire section will be resurfaced. All three bridges should be completed within a year. Consulting engineers are Wallace Evans and Partners.

North Riding County Council has awarded a £282,000 order to Walter Thompson (Contractors) for extensions to the County Hall at Northallerton.

The scheme comprises a 4-storey block for the Highways Department, together with a single-storey computer block, 3-storey link building and car park extensions. Completion is programmed for May, 1973.

Thompson was main contractor for the previous County Hall extensions, completed in 1967, and is also engaged on school contracts at Northallerton, Bedale and Skipton, totalling £565,000 for the North Riding County Council.

Store will be anchored to ground

GROUND anchors are being installed by Cementation Ground Engineering through the ground floor concrete slab of the British Home Stores building being erected at Bournemouth. The site, on a steeply sloping ground, is being developed by Cementation Building under a £1m. contract.

The 134 anchors are designed for the dual purpose of stabilisation due to the possibility of a rapid rise in water table and to stabilise the adjoining peripheral retaining wall. The 35 feet long anchors are being installed, both vertically and angled, through the slab into fine sand in order to carry out the joint functions and possess a permanent working capacity of 30 tons.

Cementation personnel are working in a deep trench to install the anchors using a Wirth hydraulic drilling rig. The store itself is to be of reinforced concrete construction on raft foundations and with concrete retaining walls. Scheduled for completion by late 1972, the building has been designed by British Home Stores. Structural consultants are W. S. Atkins and Partners.

Keeping buildings dry

METHODS of overcoming rising damp, condensation and pressure water in old and new buildings and structures are being offered by Damp Security (a member of the Ryton Group), of 354, Kensington Road, London, S.E.11.

The company, which is the U.K. licensee to Mr. Werner Grammerstorff, the West German pioneer of IPA waterproofing techniques, carries out all site work with its own operatives. This avoids the difficulty of apportioning the blame in the event of failure.

Three damp-proofing and water-proofing agents form the basis of the system. The three products, which are imported from West Germany, are Ipanex, Ipanex R and Ipa E64.

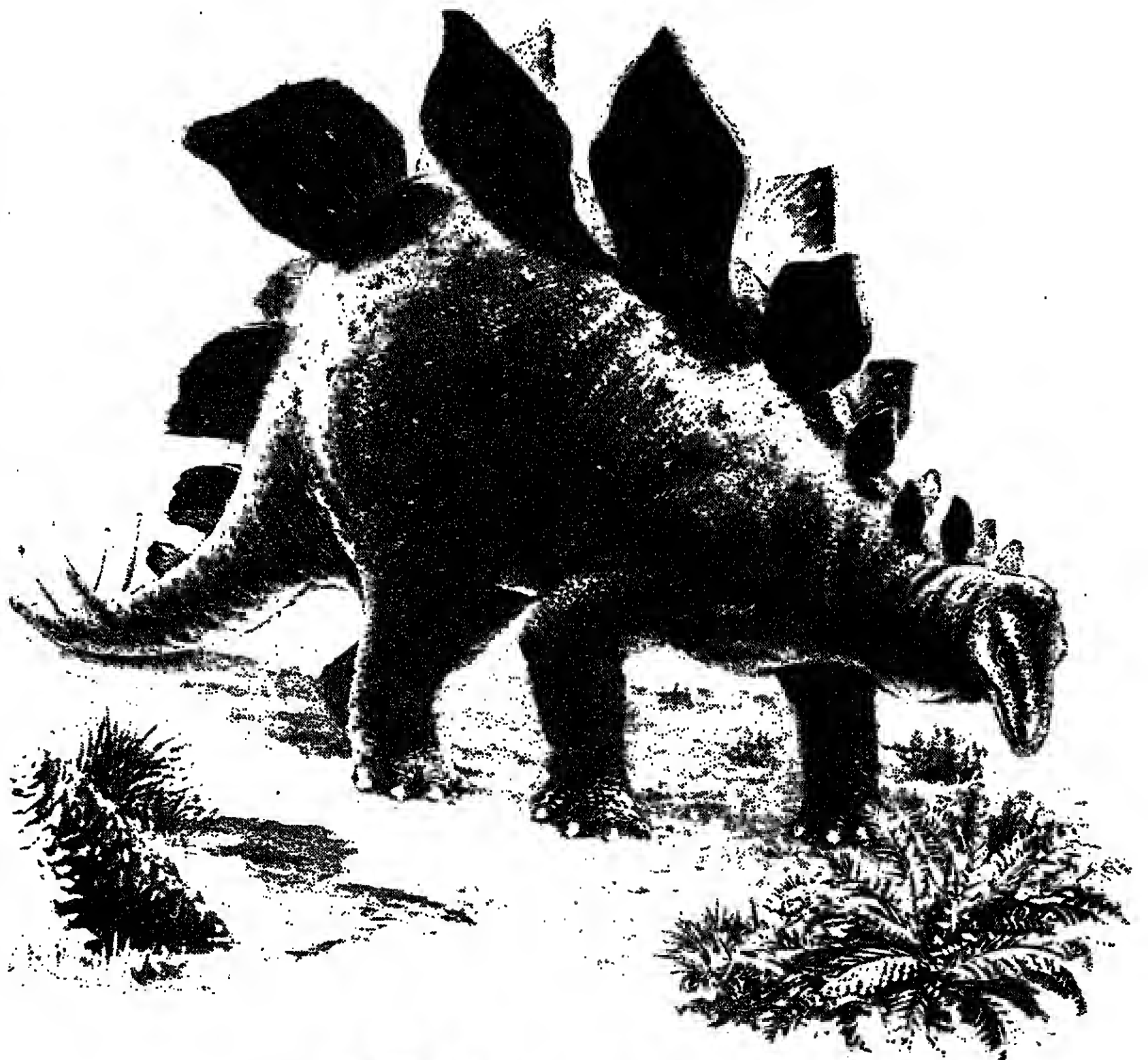
Ipanex is a liquid for use with sand and cement mixtures which improves workability so that the water/cement ratio can be reduced to increase the density of the mix and reduce drying-out shrinkage.

Ipanex R has the same properties, but is rapid-hardening and non-shrink. It is suitable for plugging holes in walls or floors through which water is entering under pressure.

The third material, Ipa E64, is an additive which creates a foamed plaster intended to prevent condensation, increase the evaporation rate of damp surfaces and improve the thermal efficiency of the treated surface.

Special air-entraining machines are used with this additive resulting in a light, workable aerated mixture, which when applied dries to a hard rendering with uniform cellular structure, which allows the wall to breathe.

Two types of foam are available. One can be used on internal surfaces to prevent condensation, while the other is for use on external surfaces to increase the area of evaporation.



Wrong!

It seems that some people have got the wrong image of us. They see so many R-B 'rope' operated excavators around, they think we're after a place in pre-history, along with that Stegosaurus above. Possibly they can be forgiven. But we'd like to take this opportunity to put right a few things.

Those R-B machines are

around because they're so — reliable. When we build a crane or excavator, we expect some mileage out of it. The same goes for the new hydraulic models.

Yes, hydraulic. As new and as bright and as gutsy as you'll ever see.

These are the new R-B models—both cranes and excavators—that you may not know

enough about. We're putting that right here and elsewhere.

One thing though: the new models are just as tough as the old. Give us a chance, and we'll prove it to you.



is changing

Ruston-Bucyrus Limited, Lincoln, England. Telephone: Lincoln 25261

You can't beat the system



Don't you Give us a commercial accommodation problem that a Terrapin factory-built building system can't solve. Two storey, one, five... Up fast. Very fast. Anywhere. Polar regions, or desert. Well-engineered: metric, re-locatable; extendible. Buy or hire—you really can't beat a Terrapin system. Write or phone Mike Welch FT89 for fully illustrated literature.



TERRAPIN INTERNATIONAL GROUP
Bond Avenue, Northley, Bucks.
Telephone: Bledday 4971

CONDER
Kingsworthy metric building system for offices, schools and hospitals. Tel: 01-930 9122

THE FINANCIAL TIMES

Incorporating THE FINANCIAL NEWS
(Established 1886)
(Established 1884)Head Office Editorial & Advertisement Offices:
BRACKEN HOUSE, CANNON STREET, LONDON, EC4A 3DF.
Telephone Day & Night: 01-248 8000. Telegrams: Finantimo, London.

FOR SHARE INDEX AND ROUNDS
Brentford: 01-831 9911
London: 01-248 8000
Manchester: 061-234 5555
Newcastle: 0209-222 222
Preston: 0772-222 222
Sheffield: 0114-234 5555
Southampton: 0703-222 222
Tottenham: 0181-234 5555
Wolverhampton: 0902-222 222
Wrexham: 0930-222 222

MONDAY AUGUST 16 1971

A question of timing

MR. JAMES CALLAGHAN'S pronouncements on the Ulster crisis this weekend mark a distinct change of emphasis in the Labour Party's position on the issue, and therefore a significant new factor in the situation. Mr. Callaghan was careful to make it clear in two interviews that there was no question of abandoning his bipartisan approach so long as British soldiers' lives are at stake. He also, apparently, continues to support the arrest of IRA suspects in principle. But he has served notice on the Government that his support in general and his continued approval of intervention in particular are contingent on Mr. Maudling making an attempt to bring about immediate political talks between London, Belfast and Dublin.

Labour position

This demand makes a good deal of sense in terms of the internal politics of the Labour Party. Mr. Callaghan's low-key speech on the last day of the Parliamentary session and his public support for the Home Secretary on the day of the cabinet announcement, have worried a number of his "shadow" Cabinet colleagues and irritated Ulsterians among the rank and file. But the demand also, to be fair, makes considerable sense as a longer-term position for Labour. There can be no doubt that if the Ulster problem is ever to be settled the scene has to shift sooner or later from the streets to some forum where there can be reasoned discussion of how the Catholic population of Northern Ireland can be represented in the Government of the province. It is a legitimate criticism of Mr. Callaghan that he has failed to show much creative imagination during the last 12 months in order to bring this shift about—and Labour is perfectly entitled to say so. The Opposition is also quite within its rights, as the natural representative of minorities, to express reservations about intervention and to press the Government to turn to political methods as rapidly as possible.

New yardstick for prices

THE Government took a number of risks in its switch to a more expansionist economic policy a month ago. There is bound to be some time to come these risks to the balance of payments (however strong that may be at the moment) in an expansion that is entirely home-based. At a later stage there may be a danger of adding demand-inflation to the pressures already coming from the cost side. The direct CBI attempt to limit price rises in a major sector of the economy to 3 per cent, has also its dangers. Apart from the objections of principle to the CBI undertaking such functions, and the damage to the finances and morale of the nationalised industries, there could also be a threat to private investment itself. For as the Mechanical Engineering Little Noddy has just stressed, if manufacturing industry limits its price increases as proposed, but cost inflation continues at a high rate, the ability of industry to re-equip itself could be adversely affected.

For all these reasons it is particularly important to make the most of the favourable aspects of the new policies. The best case that can be made for this is that the combination of the tax cuts and the CBI pledge will reduce the level of inflationary expectations. The hope is that unions and management will settle for less because they will attach more value to a given increase in money earnings. The best chance of success does not lie in some grand TUC gesture, nor even in the spread of "threshold" agreements relating wages to prices. It lies rather in the actual experience of a few months of more slowly rising prices, which the Government hopes will set off a virtuous circle of reduced inflation.

The one piece of evidence that everybody looks at in this connection is the Index of Retail Prices. But in its present form, which contains no attempt at seasonal correction, it could not show any slowing down of price inflation even were such a slowing down to occur. For at one can do with a non-corrected

Nevertheless, it will be a pity if Labour carries this pressure too far at present. The whole question of the timing of any new moves on the political front is vital but extremely delicate. Mr. Callaghan is demanding an immediate conference of the three Prime Ministers, but this is open to several objections. First, it would be most unlikely to be fruitful if it had to be conducted in the atmosphere of deep and genuine anger evident on both sides of last week's war of words between Mr. Faulkner and Mr. Lynch. Secondly, until the Army has got the immediate crisis under control, any meeting of Mr. Callaghan with Mr. Lynch would provoke a violent outburst from the protestant side. And, thirdly, Mr. Lynch needs time to convince himself and his countrymen that support for the IRA must be curtailed for the sake of the Republic as much as for peace in the North.

It would be absurd, of course, to wait for perfect tranquillity to prevail in Ulster before starting a new round of political discussions. With all due respect to the army authorities and their latest claim to have broken the back of the IRA, that would involve a more or less indefinite delay. What is wanted in the present situation is a pause to give the first frenzy of reaction to intervention time to die down, coupled with a general understanding that when it has done so the Government will be ready to institute at least "talks about talks."

Inducement need

Mr. Maudling is right in refusing to risk a fiasco by pushing on too fast. Mr. Callaghan is right in saying that the Government cannot afford to give the impression that things can sink back to what they were before the crisis and that no further political initiatives are necessary. Of course, the violence must be brought to a halt as the first priority, but it will help to end it if some of those responsible have an inducement other than fear to make them desist.

The main official reason for not adjusting the Index is that there are seasonal foodstuffs such as potatoes, tomatoes and fresh vegetables for which the peaks and troughs are not known in advance. This is an extremely flimsy reason for maintaining the present practice. For the foodstuffs in question cover no more than 5 per cent of total purchases. The rest of the items are believed to be fairly free of seasonal variation—the main disturbance being changes in rates in such items as meat and poultry. The Department of Employment needs to do its job, side by side with the present Index, another one, covering 95 per cent of all purchases, which could be seasonally corrected fairly simply.

Public interest
Attention would still be paid to the conventional comparison of the complete Index with a year ago. This is a matter of legitimate public interest. But the Department's normal monthly notice could accompany the overall figure with some discussion of trends over the last few months based on the new seasonally adjusted version; and in the course of time this more refined concept would creep into public discussion. Of course, it would not bring a revolution in our affairs. But it would be sad if future historians were to record that a spurious search for statistical precision—which is itself profoundly unscientific—should have contributed to the failure of yet another phase of British economic policy.

Tobacco companies: a shopping list that keeps on growing

With Gallaher bidding £9.6m for the Saunders Valve Company Kelsey van Musschenbroek looks into their continuing efforts to diversify

FEW people having their eyes tested in a branch of Dollond and Aitchison's, the largest chain of opticians in the country, probably realise they are within the confines of a tobacco company's empire. Since last November Dollond's has been owned by Gallaher, of Benson and Hedges and Senior Service fame.

Again, the odds are that not many housewives who smoke either Embassy or Players No. 6 will connect the Buxted chicken that went into the oven this week-end with their favourite brand of cigarette. Yet both come from Imperial Tobacco. Nor is it likely that many men recently won over to Yardley's new Cougar aftershave lotion will know they are contributing to the revenues of yet another tobacco giant—this time the world's largest, British-American Tobacco.

Clearly, in all these activities the tobacco companies are a long way from home. Moreover, there are few signs yet that their push into other fields is over. Last week Gallaher was on the move again, with a £9.6m bid for the Saunders Valve Company. The hope is that Saunders will complement the operations of another of Gallaher's non-tobacco interests, Mono Pumps. If the deal goes through, Gallaher will have invested some £22m, outside tobacco since last November.

Major force in food

In the past four years Imps has spent about £100m, largely on establishing itself as a major force in the food business. More than £128m is involved in just two of BAT's non-tobacco interests: perfume and cosmetics, and Wiggins Teape the paper company.

The tobacco companies are not just dabbling. Although tobacco men continue to deny strongly that they are throwing this kind of money into diversification simply because of the increasing strength of the health-and-smoking lobby, it would be naive to believe that the mounting restrictions on tobacco advertising in one country after another does not colour their thinking.

Both here and in America the anti-smoking lobbies have already severely limited the marketing options previously open to tobacco products. In some European countries the process has gone much further. Even the advertising of tobacco products by inference is now frowned upon. An advertisement for, say, a car which shows someone smoking as well could be forbidden. The long-term conclusion seems inescapable:



THE IMPACT OF DIVERSIFICATION

	ON SALES %		ON PROFITS		MAIN NON-TOBACCO ACTIVITIES
	1967	1970	1967	1970	
British-American Tobacco	1.8	6.8	0.5	2.6	Perfumery and cosmetics; paper, packaging, printing; food products
Imperial Tobacco	8.6	22.0	6.7	18.4	Food products; paper, board, packaging; distribution
Gallaher	1.2	4.7	4.7	6.0	Engineering; wholesaling; optical retailing

* Non-tobacco activities as a proportion of the total. Note: Profits are before tax and interest.

the health factor, coupled with growing consumer activism, is likely to act as a brake on the growth of tobacco products, especially in the highly industrialised countries.

Nevertheless, the tobacco companies prefer to explain their diversification policies in somewhat different terms. To hacco's growth, it is generally agreed, it is not likely to be all that exciting in the years ahead, mainly because saturation point is within sight in several major markets. The health factor is not, of course, discounted, but it is not regarded as the prime cause for concern.

Meanwhile, broadly speaking, the tobacco industry has developed to a stage where it is highly efficient and very profitable. To take one small example: half a dozen years ago a cigarette-making machine normally turned out about 1,500 cigarettes a minute; now that figure has doubled. The rationalisation of this sort of technological improvement has brought about a substantial flow of cash which must be put to work. It would not make much sense to reinvest all these funds in tobacco where diminishing returns can be expected. In other words, it is not so much pressure from health lobbies that is behind the diversification, but pressure of funds earned from tobacco.

Yet the fact remains that the

greater the companies' efforts to move away from tobacco, the greater the profitability of their tobacco has been. For instance, Imps' diversification has so far had the greatest impact on its total business, as the table shows. However, in the last four years while capital employed in tobacco has risen by only 4.5 per cent, trading profits from it have jumped by just over a third. The profitability of Imps' tobacco business is nearly two and a half times that of its other interests.

Again, while BAT has been plunging into perfume and paper (as well as sea foods in the U.S. and broiler chickens in the Argentine) to emerge with a total non-tobacco trading profit of less than £4m, tobacco profits have accelerated to nearly £146m, an improvement of more than £52m in the last four years.

Increased profits

And what of Carreras, the smallest of Britain's four tobacco companies? Unlike the others, Carreras has stuck to tobacco: its latest results for the year ending June, 1971, are due out soon and are expected to show a pre-tax profit of some £8m, which will mean that in the last five years profits have increased by well over 70 per cent—a rate of improvement

far better than that achieved by the three major tobacco groups which have diversified.

Arguably, Carreras is a special case. It does not face the same degree of market saturation as its larger competitors in many countries, and at home it has its hands full keeping its 7 per cent share of the cigarette market. All the same, its experience underlines not just the profitability of tobacco, but also the problems involved once the decision to diversify has been taken.

In what areas ought a tobacco company to invest? What rate of return should be looked for? At what point should non-tobacco interests be consolidated rather than expanded further? How should these interests be managed? BAT, Imps and Gallaher are by no means unanimous in their answers, but Imps and BAT are undoubtedly closer in their philosophy than Gallaher.

To start with, it is important to identify those non-tobacco interests which are in a very real sense "natural" extensions of the tobacco business. Here Imps' and BAT's 50-50 partnership in Mardon Packaging International is a classic example of a non-tobacco interest which originally sprang from a stake in a company which served the tobacco industry's packaging needs.

BAT's final absorption of Wiggins Teape—after holding a

minority stake for several years—carries the same logic a step further. Again, Imps' ownership of Finlay's the retail tobacconist chain, and Robert Sinclair and Collis (both wholesale tobacconist and confectioners) is self-explanatory.

Perfume and frozen peas are another matter altogether. BAT's acquisition of Yardley, Letheridge and Germaine Montell to form a major international perfumery and cosmetics group, was based on the belief that consumer goods in the widest sense ought to be a field where tobacco marketing expertise could be brought to bear. Very much the same thinking led Imps into the food business. As its chairman Sir John Partridge once put it: "We were mass-market experts, mass production experts, market research experts."

Although the original Crest concept has been drastically modified, Gallaher has not abandoned wholesaling as such. What the company has abandoned is any idea that it ought to look for industries where tobacco expertise can be applied. If wholesaling is now being expanded again, with the purchase of Warriner and Mason, it is because Gallaher is convinced that it has found the right management and the right company per se. The same goes for Dollond and Aitchison, and Saunders Valve. In fact Gallaher's new approach now has strong merchant banking overtones: its offer to put up £3m for a substantial interest in Lines Brothers, the toy company, should be seen in this light.

Faith has been shaken

There can be little doubt, however, that in the last few years faith in the industrial "synergy" available to tobacco companies has been shaken. The reason is quite simply profits, or lack of them. BAT has invested £48m in its cosmetics and perfumery businesses; last year they earned it £1m, before tax and interest. In trading profits they earn in their traditional businesses.

employed in food came to just over 7 per cent.

Indeed, both BAT and Imps have undoubtedly found that in practice the scope for using tobacco marketing expertise in their new ventures is more apparent than real. In BAT's case not only did distribution problems immediately rear their head, but it was found that traditional management attitudes in the highly fashion-conscious cosmetics trade were not exactly compatible with those in the more down-to-earth tobacco business. BAT has now gone outside for top management to run British-American Cosmetics, formed last year to control this side of the group.

For its part, Imps has used few, if any, tobacco marketing men in its food business. Today the newly formed Imperial Foods is being reshaped by a life-long food man, Mr. Alexander, previously chairman of the Ross Group which Imps took over in 1969.

Cash and Carry

Vague notions about "synergy" may well have been largely responsible for two of Gallaher's costliest diversification ventures: buying Muriel's to attempt to move into household tiles in the early 1960s; it was eventually sold and Gallaher lost £750,000. Crest Cash and Carry marked an ambitious and expensive attempt two years ago to become established in cash and carry wholesaling. Last year Crest lost £237,000.

Although the original Crest concept has been drastically modified, Gallaher has not abandoned wholesaling as such. What the company has abandoned is any idea that it ought to look for industries where tobacco expertise can be applied. If wholesaling is now being expanded again, with the purchase of Warriner and Mason, it is because Gallaher is convinced that it has found the right management and the right company per se. The same goes for Dollond and Aitchison, and Saunders Valve. In fact Gallaher's new approach now has strong merchant banking overtones: its offer to put up £3m for a substantial interest in Lines Brothers, the toy company, should be seen in this light.

This is very different from the logic which took Imps into food, and BAT into perfume. It remains to be seen which technique will enable tobacco majors to match the tax and interest. In trading profits they earn in their traditional businesses.

MEN AND MATTERS

Back to the busted bonds

For the name of Mr. Emil "Johnny" Speyer to appear on a new committee representing debenture holders of the Buenos Aires Lacroze Tramways Co. Ltd. is as close as the City comes to inevitability for in the field of busted foreign bonds, Speyer's reputation is unrivalled, and has been since his successes with German and Japanese settlements following the last war. But it all began well before that. Speyer, who had started working in a German bank as an early teenager in 1915 decided, when he came to London in 1936, "that I couldn't teach the British anything about Ordinary shares, but one seemed to know much about foreign bonds."

He began with Argentine railways, Brazilian railways and public utilities, and the same for Costa Rica and Guatemala. He has particularly happy memories of some Mexican bonds, bought at just £1 per cent in 1939; the unredeemed portion of the bonds now stand around £80 per cent. Now Speyer, and a committee of three others, are taking up bids for holders of 5 per cent First Mortgage Debenture Stock, 5 per cent Extension Mortgage Debentures and of Consolidated Mortgage Debentures in Buenos Aires Lacroze Tramways.

Back in 1939, along with other British-owned companies, it had its assets taken over with compensation in the form of shares in the Buenos Aires Transport Corporation. After the Corporation was forced into bankruptcy by the Peron Government, two other British

companies who had shared this fate, Anglo-Argentine Tramways and Buenos Aires Town and Docks, eventually got compensation from the Argentine Government in the shape of Treasury Bills. But not the Buenos Aires Lacroze Tramways, for although British owned, it was registered in Argentina. Speyer's argument is in essence simple: if it received the same treatment as the British-registered companies in 1939, why shouldn't it have won the same compensation? The committee's first aim is to appoint a director to the company, which it feels confident that trustees of the debentures have a right to do.

As well as this return to his old specialty, Speyer is full of other plans. Although his Ashbourne Investments has just suffered poor half-year results, he has particular confidence in the banking subsidiary, E. S. Schwab. With the benefit of a long memory, Speyer says happily that "in inflationary times, it's the banks who make the money."

So Ford, also chairman of the Science Research Council's engineering group and consultant to a number of international companies, will have his work cut out, always remembering another Ford tenet, that "One's university duties have to come first."

Selling a little motivation

If Trust Houses Forte is still in one piece next year, it should be getting American business through an Anglo-Czech marketing man, Mr. Jaro P. Fisher. He has been with the Forte side before, as European sales manager for two years. This time his job is to sell Trust Houses Forte to the Americans, with offices established in Los Angeles. The pitch, says Fisher, is mainly to conference organisers and to the incentive travel business. About 150 Ford main dealers are at the Grosvenor House just now, one batch out of the 900 that have won holidays here this year by exceeding their sales targets.

Imperial College, London. But it was not until Lord Penney's time as Rector of Imperial College, beginning in 1967, that Ford found it possible to actually mix teaching and industry and "allowed and encouraged" to take outside directorships.

Now, after three years as Technical Director at Davy Ashmore, Ford is moving onto the Board of Alfred Herbert. The change comes, he says, because "Davy-Ashmore is moving towards an international contracting business not specifically aimed at developing its own technology." His particular problem at Alfred Herbert is the R and D programme, and marrying this up to market demands.

So Ford, also chairman of the Science Research Council's engineering group and consultant to a number of international companies, will have his work cut out, always remembering another Ford tenet, that "One's university duties have to come first."

Foul play

Here is a story for the start of the football season. Two teams of elephants were playing soccer. At half-time one team brought on a mouse as a substitute. During the second half, when the mouse headed a dangerous thrust at the opposing goal, one of the defenders put his foot on the mouse and squashed him. "Sorry," he mumbled apologetically. "I only meant to trip him."

Fisher, 38, arrived in Britain from Czechoslovakia during the war. His father was a chemist and his mother is still in the fashion trade here. But he decided to go through the Hotel School in Lausanne. Since starting out with Grand Metropolitan, he has gained U.S. experience with Sheraton and with a group managing Holiday Inns franchises.

In selling London (he also has the 25 overseas THF hotels to offer) Fisher should have a head start through THF catering last month for the grandest of all American conventions, the American Bar Association, which brought about 15,000 people to London. Then the self-declared whiz-kids, the Young Presidents, will be at the Grosvenor House in October.

But it is the incentive market which Fisher soon returns to. General Motors, IBM and Xerox are three companies which pulled out of this form of employee motivation for a year, but quickly returned to it. When one thinks that the employees, wholesalers or distributors on these schemes get not only a week with the wife in London with full entertainment, but around \$40 a day spending money thrown in, it is not hard to see why.

How to move in two worlds

Prof. Hugh Ford firmly believes that "professors ought to be involved in industry." To put it at its simplest, he says, it is a safeguard against them getting out of touch with what is relevant to their students. Ford himself did five years as a premium apprentice at the GWR Locomotive Works, before getting a scholarship to do three years' research into heat transfer. Then he went back into industry, first with ICI and then with the old British Iron and Steel Federation before taking the academic road which led him to his position of Professor of Mechanical Engineering at

£50,000

is the amount we provided last year for research into the cause and cure of Multiple Sclerosis.

£100,000

is what we expect to have to meet this year to support research by doctors, and at hospitals, universities and research laboratories, under the guidance of our Medical Research Advisory Committee.

Multiple Sclerosis is the commonest disease of the Central Nervous System. It strikes without warning, usually in the age group 15 to 36, often paralysing limbs and affecting speech and sight. Not hereditary, infectious or contagious, M.S. accounts for one-third of the young chronic sick—50,000 cases in the U.K. alone.

Research is a costly business. Without it progress is impossible. We shall be grateful for your help. If you would like to know more, please send this advertisement with your card. Any size donation will be a great help.



The Multiple Sclerosis Society,
Room FT2,
4, Tachbrook Street,
London, SW1V 1SJ.
Tel. 01-834 8231

Observer

مكتبة الأصيل

SOCIETY TO-DAY

What we can learn from the future

BY JOE ROGALY

CONTEMPLATION of the future has become a nearly respectable academic pursuit, acknowledged even by industry. Imperial Chemical Industries, for instance, has spent its own money on "futures research," with what are said to be successful results. The electricity industry supports four full-time and ten part-time researchers to long-term energy needs, and in which there may well be a greater chance of guessing correctly than in, say, the study of future governments' likely policies towards nationalised industries. And the Lockheed Aircraft Corporation, it turns out, has for some years been sitting at least five different methodologies in its studies of the future: perhaps, in this case, it is quite enough.

Wide-ranging

This information is derived from a most curious PEP broadcast published to-day. It is curious because the first part is a wide-ranging philosophical, almost theological, discourse on the nature of future studies in the Judeo-Christian tradition (all this in language a good deal more self-confident than is customary in PEP work); the second part is a "rightward" description of one of the statistical and correlational methods of arriving at decisions about the likely course of events; and the third part is a long list of persons and institutions engaged in research of one kind or another 10 to 20 years ahead.

The third part is the most immediately useful. It serves as evidence that although the number of organisations whose primary purpose is futures research is small, the approach itself has been adopted by a large number of people in universities, companies, and government departments. The original institutions—France's Futuribles, America's Commission for the Year 2000, and the like—have thus spawned a great deal of interest in several unexpected places and some familiar ones, such as our own Office of Population Censuses and Surveys, which regularly provides demographic profiles for periods of up to 40 years ahead.

And in theory at least the research staff whose task it is to assist the Prime Minister under the guidance of Lord Rothschild ought to be applying the principles of futures research to its work. Lord Rothschild is known to insist on a demonstration of the likely usefulness of any particular line of inquiry before he allows anyone to proceed with it; this is all to the good. There is a danger, however, that his team might succumb to the temptations of quick responses to the day-to-day excitement of the Cabinet Office. This would soon limit its usefulness for long-range analysis.

Unfortunately, long-range analysis is not easy to "sell." Few people, apart from the professionals, believe that there is much point in studying the next 20 or 30 years. There are

plenty of examples of past errors of forecasting, like the work of the Rochdale Committee on Ports in 1962, the Greater London Development Plan of 1965-69, and the many mistakes of those who attempt to foretell the likely levels of population at the end of a particular decade. The most recent attempt at a serious use of the best-known tools of planning currently available, the Roskill Commission's work on a new London airport, proved fruitless because its conclusions were politically unacceptable.

Finely spun

It may be deduced from all this that futures research is simply a waste of time. Its proponents would reply with at least two good reasons why it is not. The first is that some forecasts have in fact come true; the second that the overriding purpose of this kind of study is not so much to make predictions as to argue out the probable consequences of one present set of policies as against another. If these defences seem to contradict one another, then the explanation is that a good deal depends upon what it is you want to know about the future. Predictions about scientific developments are easier to make and more convincing than finely-spun tales about where civilisation will end unless young men leave their hair cut.

On the convincing end of the spectrum, one of the most daring public prophecies made

in recent years was President Kennedy's promise to land Americans on the moon before 1970. This was based on a reasonable extrapolation of the



Lord Rothschild: insists on a demonstration of the likely usefulness of a particular line of inquiry before allowing anyone to proceed with it.

space techniques currently available, but the degree of risk involved in the prediction and more convincing than finely-spun tales about where civilisation will end unless young men leave their hair cut.

Other scientific forecasting has also proved workable. For instance, something known as the "Delphi" technique, de-

veloped at the Rand Corporation during the 1950s, sets out to extract a consensus of expert opinion about the most likely developments, usually in technology or health, during a particular period of years. It is a complicated mechanism of questionnaires and meetings-out of Western society in, say, the year 2000 can be guessed at.

This is not quite such a laughing matter as it may at first sight seem to be. The great merit of futures studies of this kind is that they may serve to focus our minds more successfully on the present. The result might be a better choice of policies than would have been made without the studies. Once again, there is a spectrum ranging from the most practical to the most imaginative.

At the practical end of the spectrum, demography, as it is by the constant and stubborn refusal of populations to increase at the rates foretold, is nevertheless an indispensable guide to present policies. It is not so much a matter of how many people there will be in Britain in 30 years' time, or even their colour; it is the part of the country they are likely to choose to live in and the relative numbers of productive people as against dependents that will matter. On present trends the number of dependents (children, the retired, the disabled, the technologically under-employed) is likely to increase at a rate that hardly bears thinking about but which even so must be faced.

If to-day's pensions policies are to live up to their promises

convincing or not, they have had a marked effect on American strategic thinking for a decade and more; similar techniques are now favoured by some of the social scientists who are attempting to develop methods whereby the state of Western society in, say, the year 2000 can be guessed at.

These figures must be known; if to-morrow's dependents are to be fed, and kept alive on the National Health, on the basis of even to-day's conceptions of generosity, then new methods of allocating national resources will have to be found. These are problems that are based upon conceptions of the future and yet must even so be solved now.

An example of a problem that is as immediately pressing yet less capable of precise solution is the present debate between those who still believe that progress is impossible without economic growth and those who assert that economic growth is destructive of progress. There is in fact a sensible middle path, as has been said more than once in this column (it all depends upon the purpose to which growth is to be put), but it remains necessary to arrive at a useful conception of the best management of industrial economies without the aid of planned obsolescence or the threat of houses jammed with more domestic appliances than the human frame can stand. At this stage the subject is still reducible to hard argument about quantities in particular circumstances: the economists, whose own record of forecasting is not untarnished, are at least necessary to the debate, as are other social scientists. But there is a speculative stage further, one that cannot be solved by any known arithmetic.

This is the contemplation of the nature of mankind itself. In one sense it is an immediate question of social psychology: are Western populations turning away from the constant pursuit of enrichment now that they are, by and large, wealthy enough? This may be the way upon conceptions of the future war; it would be ironic if European workers began to acquire the same mood (as some in Holland at least already have) now that we are joining the Common Market in the hope of being inspired by them. If there is any sense in social psychology of this kind then economists, who have been working on a different set of assumptions for a century and a half, had better start taking note.

Again, there is very little knowledge, and very much speculation, about the effects of increasing longevity, greater leisure, widespread birth control, the near-banishment of infectious diseases, and other wonders of the 20th century upon the nature and particularly the psychological make-up of homo sapiens in the century ahead. These are not mythical future beings I am talking about, but our own children. Until the philosophers provide us with working answers, there is no case for deriding those lesser students who are trying to find something solid in all this confusion—something we can grasp at.

... and now the future. A PEP Survey of Futures Studies. Charles de Houghton, William Page and Guy Streetfield. £2.00.

will contribute and a further £3.5m. aid each year given by the U.K. for economic development. In addition, other NATO countries are ready to negotiate the giving of a substantial sum of aid each year. Britain's allies in NATO are prepared to contribute to aiding Malta in return for the use of military facilities by U.K. forces alone because they are concerned about keeping the Soviet Union out.

Yesterday, Mr. Edward Heath, the Prime Minister, called a meeting of Ministers at Chequers to consider Mr. Mintoff's response to the offer. Lord Carrington, the Defence Secretary, and Mr. Joseph Godher, Minister of State at the Foreign Office, took part in the talks.

Labour News

£9 offer for 'round clock' dock shifts

BY ALEX HENDRY, LABOUR REPORTER

TERPOOL dockers have been in a £9-a-week increase on basic rates in a pay and ductivity deal that would see the port to operate round the clock, about 10,000 would be affected by the deal which is being recommended by the executive of the Transport and General Workers' Union and their stewards. The union will hold a mass meeting on Saturday to vote on the offer. At present, they have a basic rate of £17 for a 40-hour week on day-shift working from 8 a.m. to 5 p.m. five days a week. There are incentive payments overtime on top of the basic rate. The new scheme aims to have three shifts—8 a.m. to 5 p.m., 5 p.m. to 11 p.m. and 11 p.m. to 6 a.m. The basic rate, the shifts will be £26, £29 and

nightshift as and when required remains. Mr. Lev Lloyd, Liverpool and Birkenhead district docks secretary of the TGWU, said yesterday: "It is only a step in the right direction. We feel that it gives exporters and importers a real opportunity to improve working at the docks and help the country."

He added: "We hope the men will accept. The stewards have been over the deal with all the men at their companies. They were given a half-day off to hear what was being offered."

Liverpool is the last major port to introduce the second phase of Devlin modernisation. The first stage ended casual employment in the ports.

In London, the enclosed docks have a pay system of a high basic rate, £36 a week, two-shift working and no incentive schemes.

When it was introduced last September, there was an immediate fall in productivity which is still below the level prior to the new deal—and the dockers' leaders have had their claim for an increase for the 10,500 members rejected by the employers.

Weekly rates The pay offer would increase the weekly rates of national officers from £48 to £53 a week. The General and Municipal Workers' Union, the third largest, recently gave its national officers increases of 30 per cent, to be paid in two stages of 15 per cent. Their officers also get service payments which are not paid by the TGWU, some of whose officers have fallen too far behind those of other unions.

Feather warns of legal problems on unions Act

Mr. Vic Feather, general secretary of the UCU, has written to member unions warning them that legal problems they may be in trying to follow the TUC's policy of not being registered or the Industrial Relations Act. He tells the unions that their decision not to be registered under the new legislation is challenged by the registrar. A member of the union, they said, contest the challenge and join the TUC general council, also says that unions in that position should get as if they were not registered and not use the industrial relations machinery set up by the Act. He tells the unions that the TUC following an examination of affiliated unions' rules, some of them have rules which state they must be registered and the TUC's legal advice has since the rule does not

specifically under what law they should be registered they would be obliged to do so under the new legislation unless they change their rule.

The engineering section of the Amalgamated Union of Engineering Workers is holding a special conference later this year to change its rule which says it must be registered. The three other sections of the union will do the same following a policy decision earlier this year to come off the new register which will be opened on October 1. Registered unions will automatically be put on a provisional register and it is at that point they would ask to be deregistered. The TUC's legal advice is that in a number of cases the registrar would refuse to do this because of the union's registration rule.

Imps launches new king-size cigarette

BY DAVID WALKER

IMPERIAL TOBACCO has added to its bid to gain a significant share of the fast-growing market for king-size cigarettes with the launch of No. 6 Kings by its John Player subsidiary.

The brand is the third king-size cigarette to be introduced by Imperial this year in what is being seen as a major attempt to establish itself in a sector expected to show still greater growth if Britain enters the Common Market.

Radical tax changes thought to be inevitable then will almost certainly much reduce the price differential between king size brands and the smaller cigarettes through which Imperial dominates the U.K. market.

A present, king-size cigarettes account for 6.5 per cent. of all cigarettes sold in this country, compared with 5 per cent. two years ago. Common Market membership, it is thought within the industry, could within a few years make them best sellers.

The result, unless Imperial manages to increase its impact in that area considerably, could be a major boost for Britain's two smaller tobacco companies, Carreras and Gallaher.

Stable mate Carreras accounts for only 5 per cent. of all U.K. cigarette sales, but two of its best known brands, Rothmans and Peter Stuyvesant, achieve over 30 per cent. of king-size sales. One Gallaher brand, Benson and Hedges, is responsible for 50 per cent.

Over the past 12 years, Imperial has introduced more than a dozen king-size brands without gaining a significant share. The latest is like its recently unveiled stable-mate from W. D. and H. O. Wills, Embassy Kings, in carrying coupons—a form of incentive which could be barred as a result of Common Market membership.

U.S. Congressmen urge tax cuts and pay policy

WASHINGTON, August 15.

THE JOINT Economic Committee of Congress to-day recommended adoption of faster economic growth policies, including retroactive tax cuts and tougher anti-inflation policies, to curb rising U.S. prices.

Accelerated tax reductions and tighter Government spending—coupled with an incomes policy consisting of price and wage guidelines—were now urgently needed to reduce unemployment without rekindling inflation, the committee said.

The recommendations were contained in the Joint Senate and House committee's regular six-monthly review of the economy. Democrats outnumbered Republicans on the committee by 12 to eight, and the report represents the consensus view of the Democratic members.

However, Republican Senators Jacob Javits of New York and James Pearson of Kansas, concurred with the majority recommendation of an incomes policy. Senator Pearson went further, suggesting mandatory wage and price controls for a limited period.

Introducing the majority report, Senator William Proxmire, of Wisconsin, committee chairman, criticised the

Nixon Administration's reluctance to move more positively against inflation and unemployment. "We cannot accept a negative, stand-pat policy in the face of the serious problems which beset our economy," he said.

"The committee recommends a positive set of policy alternatives that would reduce the rate of inflation and lower the level of unemployment through restoration of healthy economic growth."

Five proposals

In addition to its call for an incomes policy, the committee listed five specific recommendations to stimulate the lagging economy: Making personal income-tax cuts retroactive to January 1, 1971. Postponement of a planned increase in social security taxes. Doubling proposed spending on job programmes. Release of at least \$1,000m. (about £416,667,000) in Federal funds for housing and urban development. Compensation to state and local governments for revenue loss caused by unemployment.

Reuter

"Imperative" to continue Gatwick development

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE continued development of Gatwick Airport, Surrey, is "an imperative" according to a leaflet issued to airline and airport staff working at the airport, by the Gatwick Resident Airline Operators' Association.

The Association says the airport provides a thriving livelihood, a national service and a major contribution to the country's economy. In family terms, it supports 27,000 people who spend approximately £14.5m. locally on food, rent, clothing and so on every year.

On a national basis, the airport handled imports, re-exports and exports worth about £81m. last year, and the Association estimates that its member-airlines will bring more than 330,000

Norfolk American tourists to this country in 1972. This represents more than £30m. in fares and spending while they are in this country. Gatwick Airport and its residents pay annual rates to Dorset and Hovey Rural District Council, which in turn contributes to Surrey County Council. The rateable value of Gatwick Airport is £370,000, and total county and parish rates paid annually are £28,500.

Pointing out that many people are misinformed or uninformed about the controversial issues of Gatwick, the leaflet stresses that continued growth in aviation is certain, and Gatwick must develop in line with international airports throughout the world.

Soviet envoy flies to Malta

BY OUR OWN CORRESPONDENT

VALETTA, Aug. 15.

MR. MIKHAIL Smirnovsky, Soviet Ambassador to Britain (and thus to Malta) flew in unexpectedly early this morning, less than 24 hours after NATO announced that they will be pulling out their naval headquarters from the invitation of Mr. Don Mintoff, the Maltese Premier.

Mr. Smirnovsky was to-day refusing to be interviewed. He is known to have come for tomorrow's opening of Parliament, as other non-resident ambassadors are doing.

But his arrival raises once more the intriguing possibility of an attempt by Mr. Smirnovsky to woo Mr. Mintoff into accepting Soviet aid. Already his office has ordered Soviet merchant ships in the Mediterranean to start using Malta drydocks when in need of repairs. With relations between Malta and NATO now almost totally severed, Mr. Smirnovsky may feel he also stands a better chance of convincing the present Labour Government to accept a Soviet embassy in Malta.

It is unlikely, however, that at least to-day, Mr. Smirnovsky will be able to see Mr. Mintoff.

Attendants at the Prime Minister's office said the office will be closed all day and that no special visitors were expected. Our Foreign Staff writes: Mr. Mintoff is expected to state his attitude to the British-NATO aid proposals to the Maltese Parliament to-day.

Despite his angry initial reaction to the aid offer, it is now thought that he may accept it as a basis for negotiations.

The main element in the proposed package is a £5m. annual cash grant, to which a number of NATO Allies, apart from Britain,

will contribute and a further £3.5m. aid each year given by the U.K. for economic development.

In addition, other NATO countries are ready to negotiate the giving of a substantial sum of aid each year.

Britain's allies in NATO are prepared to contribute to aiding Malta in return for the use of military facilities by U.K. forces alone because they are concerned about keeping the Soviet Union out.

Yesterday, Mr. Edward Heath, the Prime Minister, called a meeting of Ministers at Chequers to consider Mr. Mintoff's response to the offer. Lord Carrington, the Defence Secretary, and Mr. Joseph Godher, Minister of State at the Foreign Office, took part in the talks.

Today our Düsseldorf office becomes our Düsseldorf Branch.

A complete bank.

Complete with a staff of Düsseldorf people.

Offering the full range of banking services.

And the international financial know-how we've gained

by doing business with companies all over the world.

All to make doing business in West Germany's busy,

bustling industrial center even easier for you.

Profit by it.

The Sumitomo Bank Ltd.

Tokyo and Osaka, Japan
Düsseldorf Branch: 4000, Düsseldorf, Rheingoldstr. 28, W. Germany
Telephone: (0211) 10294 Telex: 8587114
London, New York, Chicago, Los Angeles, San Francisco,
Hong Kong, Sydney, São Paulo.

COMPANY NEWS+COMMENT

Cawoods raises dividend by 2½%

GROUP PRE-TAX profit of Cawoods Holdings expanded from £1,630,568 to £2,001,538 in the year to March 31, 1971, and the dividend is stepped up from 22½ to 25 per cent with a final of 17½ per cent.

When reporting first-half profit from £680,000 to £765,000, the directors said the year's figure should show a "satisfactory increase."

As to the current year they state that growth is planned in all divisions and profits so far are ahead of last year.

In the past year record profits were earned by all divisions except Sevel Distribution where profits from oil were down due to effect of new oil company's supply contracts and increased road transport costs.

The report and accounts will be circulated on August 30 and the meeting will be held on September 24.

Statement Page 4

See Lex

Econa to progress in plastics

SUBJECT TO conditions not determining the directors Econa expect group profit for the current year "at least equal to, if not better than, those of 1971," says chairman, Mr. H. R. Scott.

Improved results are expected from the plastics division which is now approaching profitability and should make a "significant impact" on group profits, where as the services division may well show lower profits.

As reported on July 22 group pre-tax profit for the year to March 31, 1971, was £207,332 (£173,534) and the dividend 21½ (20) per cent. Turnover increased to £3,408,176 (£3,137,781).

Dividend cover increased from 1.45 to 1.89 excluding the surplus on the sale of land and building destroyed by fire. It is stated.

The full amount of the loss claim, applicable to the 12 months to April 22, 1971, has not yet been agreed but £50,000, believed to be a conservative estimate, has been included in the year's trading profit.

The fittings division showed considerably increased profits, while the tube division showed a slight improvement.

Long term fixed price contracts combined with the high rate of inflation adversely affected profits of the Services division.

Losses continued in the plastics division where rapid growth in demand caused the company to institute fully shift working; the training of the addi-

HIGHLIGHTS

Bid situations again seem likely to dominate the week ahead; but although the list of company results is seasonally thin, it still contains several prominent names. Royal Insurance is due to produce half-year figures on Thursday, as also are Smith and Nephew and Clayton Dewandre while on the preceding Wednesday Lamson Industries and Tom Martin interim statements are expected. To start the week, results are awaited later to-day from Hattersley Steirad and Ward and Goldstone, together with a half-year report from Leslie and Godwin. Tomorrow brings results from Southern-Edwards and on Wednesday those of Cussons and Norwest Holst, Associated Food and Pifco are due. On Friday Lotus and Relyon PBWS are expected to announce interims.

national labour and supervisory staff has meant that the build-up in output has been gradual and is only currently reaching the level necessary to cover overall costs.

Meeting, Solihull, September 10, noon.

● **comment**
Econa allowed down in the second half of last year with pre-tax profits up 11 per cent, against a 37 per cent first half upsurge. However, the bulk of the profits comes in the second half so the group is (in this period) working from a larger base. As for the report, its tone is mixed. The profit target for 1971-72 is at least to equal 1970-71 performance. But the plastics section is scheduled to swing back into the black, meaning a loss elimination of some £50,000 alone; moreover, the settlement of the tubes division fire claim may be higher than the £50,000 trading profits included last year. So the 1971-72 forecast may prove conservative, yet taking it at face value could imply a setback by the rest of the group. Thus a fully diluted p/e of 31 at 30p has the imprudences in strict perspective.

PRE-TAX profits of Rowton Hotels for the six months to June 30, 1971, are lower at £310,000 against £233,000.

The interim dividend is maintained at 9½ per cent. In 1970, the total was 21 per cent from pre-tax profits of £439,702.

In April, the Board stated they did not expect the 1971 profit to reach the level attained last year, but it would be sufficient to maintain the dividend.

First-half trading results from the hotels and hotels were slightly better than expected, and the group will benefit from the recent reductions in purchase tax and corporation tax, the directors state.

Work on London Park Hotel is up to schedule. The hotel is due to open on May 1, 1973, and advance bookings are most encouraging, and several leading foreign travel agents have already made substantial reservations.

● **comment**
Considering that about half of Rowton's 1970 pre-tax profits came from its 3,700 hotel beds (with the remainder contributed by 716 hotel beds). It is surprising that this year's loss of the 800-bed Parkway hotel did not drop the group's interim profits by more than 6 per cent. It seems that the overall occupancy rate is running at a high level, and in addition both the hotel and hotel prices were put up by about 10 per cent early this year. Even so, the annual profits will probably come out about 20 per cent lower at £360,000 pre-tax (giving earnings of 58p against 17p last year) after the initial interest charge on the new loan. Against this, the group's 1972 profits will receive the benefit of the 664-bed London Park Hotel which is already heavily pre-booked, and this alone should more than offset the loss

Bristol Post advertising expansion

ALL MAJOR activities of the Bristol Evening Post group shared in the improved result reported for 1970-71, but higher advertising revenue and two increases in newspaper cover prices contributed the greater part, states chairman Mr. W. A. Hawkins.

At the trading level profits increased by 17 per cent to £233,641 in the year ended March 31, 1971—"rather better" than forecast. Turnover went ahead by over £1m. to £631m.

Publication of newspapers at Bristol by Bristol United Press and at Yeovil by the Western Gazette Company account for 87.9 per cent of turnover and provide 89.2 per cent of trading profit.

Advertising the chairman says that for three years there had been little or no real growth in advertising expenditure by companies, but in contrast, and largely against the trend, the advertising service by the papers in Bristol and Yeovil continued to force ahead. Net advertising revenue of all the group's newspapers rose by 7.1 per cent to 1970-71.

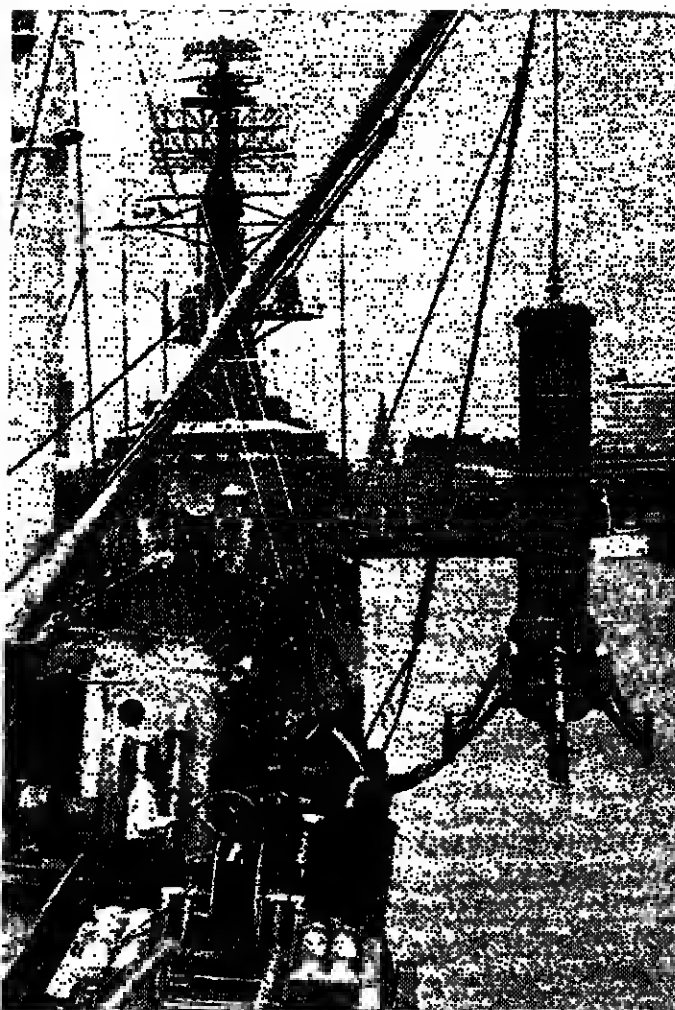
Depreciation to the year rose by over £18,294. For the current year and 1972-73 this provision will drop considerably and will be helpful in avoiding fluctuations in dividends over the next few years, says Mr. Hawkins.

The company has agreed to lease the building at Temple Way to Bristol United Press for 56 years at a commencing rental of £300,000 p.a. with upward reviews at the end of each seven years.

The chairman says that the company intends to play a leading part in local commercial radio. Year-end capital expenditure totalled £25,000 (£23,500).

Meeting, Bristol, September 7, at noon.

Higher cover charges (amounting to a 20 per cent rise since December) plus increased newspaper advertising income provided the background to the 13 per cent advance in Bristol Evening Post's 1970-71 pre-tax profits. The 7.1 per cent improvement in net advertising revenue was achieved despite a dismal industry trend and seems to have been aided by an upsurge locally. The report does not say much about current prospects, but the hope is clearly that the national advertising recession has bottomed out and that following the mini-budget there should be an upturn in the autumn. In any event, the market seems to be taking a brighter view as the shares have risen 12p to a new 1971 high of 92p in the five weeks since the preliminary statement. However, a p/e of 10.1 is still thinking in terms of boom conditions.



A new type of self-controlled seabed sampling device, manufactured by Terresearch, part of the Taylor Woodrow Group, is being tested off the Aberdeenshire coast as part of a submarine survey being carried out for BP between the Forthies Field in the North Sea and the Scottish coast. Once lowered into the water the sampling device sinks automatically to the bottom, takes its samples, and by increasing its buoyancy, returns to the surface to be recovered by the survey vessel.

DIVIDENDS ANNOUNCED

Current payment	Date of payment	Corresponding date of payment	Total last year	Total this year
Cork Gas Consumers Int.	17/8	Aug. 27	4	9
Cawoods	17/8	15	25	22½
Rowton Hotels Int.	8/9	Oct. 22	9½	21

More from Hales Properties

CURRENT FIGURES of Hales Properties "will reflect an improved profit level for 1971-72," chairman Mr. A. F. Hales tells members, and a dividend of not less than 10 per cent is anticipated.

As reported on August 9, group pre-tax profit for the year ended March 31, 1971, increased slightly from £54,728 to £59,752. The dividend is maintained at 9 per cent.

Regarding property development, the chairman states that during the year rental income increased from £113,303 to £125,514. This increase is mainly the result of further units having been let on Atherstone Industrial Estate. "This development is progressing most satisfactorily and now contributes a substantial part to the company's total income," he says.

Some 10 acres of land at Nuneaton has been sold and a further 2 acres will be sold next year. These sales will increase the trading profit for the next two years and will still leave about half of the land remaining in ownership. A decision as to how best this land can be utilised will be made at a later date in the light of prevailing circumstances," he states.

During the year, Hales acquired a small site in Castle Bromwich adjacent to the company's existing already in ownership. This total site has received planning permission for a six-storey hotel which the chairman feels will prove of considerable benefit, particularly if the proposed Exhibition Centre is approved.

Recent Government policy indicating that property companies will be treated fairly and reasonably, acknowledge that they play an important part in a modern economy and Mr. Hales is therefore more confident for the years ahead.

Meeting, Birmingham, September 8, noon.

British Dredging's optimism

The first quarter of the current year The British Dredging Company has given reason for optimism, and if the present rate of demand continues profits should exceed those of the previous year, says chairman, Mr. D. M. Bowles.

He stresses, however, that a severe winter could cause a downturn of optimism generated by a good start to the year.

As reported on July 15 group profit before tax for the year to March 31, 1971, was £457,334 (£332,788) and the dividend 12½ (18½) per cent. Earnings are stated at 4p (3p) per 25p share and the dividend cover 1.25 (1.41).

Meeting, Cardiff, September 9, noon.

BUENOS AIRES LACROZE

A committee representing debenture holders of the Buenos Aires Lacroze Tramways Company has now been formed. It consists of Mr. J. R. Wright, director of Anglo-American Securities; Mr. R. Morrison; Mr. T. D. Scrase; Mr. E. J. Seaver.

MELODY MILLS PROSPECTS

MELODY MILLS, wallpaper manufacturers, is aiming at a controlled steady expansion, using retained profits as far as possible to finance such expansion.

Regarding the current year, chairman Mr. W. T. Meigh, says the new collection has been well received "and we now have to perform accordingly."

He stresses that costs need to be rigidly controlled to remain competitive and, apart from competitive pressures, price increases have been deliberately kept modest in order to achieve a broad volume of business, especially overseas.

Membership of the EEC should

MINING NEWS

Slump in Northgate earnings

BY LESLIE PARKER, MINING EDITOR

NET INCOME in the first half of 1971 of Northgate Exploration, the Canadian-Irish mining house, slumped to £348,000 or 0.09 cents a share from £610,000 or £1.02 a share in the same period of last year.

The company states that the fall in revenue reflects lower prices for lead, copper and zinc, the higher proportion of silver oxide and mixed oxide ores (treated at the Tynagh mine in Galway for which both recoveries and metal content are lower than other ore categories), and a moderate drop in ore tonnage mined.

Many of the adverse factors are expected to be less severe during the remainder of the year. Present forecasts, assuming the continuance of current metal prices, indicate a net income of approximately £400,000 for the second half. This would make a total of around £2.5m. compared with £7.12m. for 1970. Publication of the full half-year report is scheduled for late-August. The shares, in front of the news, were 42½p on Friday.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official notices are not yet available. Dividend dates are shown below in bold type on the basis of the company's latest published financial statements.

Interims—Carroll Directories, Kraft Patents, Leslie and Godwin, Smith and Nephew, T. J. Trust, Nove and Bowden, Bernard Ward.

Finals—Adam Smith, AGC Research, Ashworth and Stewart, Hattersley Steirad, Pifco, Traill, Ward and Freeman, Joseph Webb.

Interims—F. C. Finance, Intercontinental Int. Trust, Lotus, Phosag (London).

Finals—Centre Hotels (Cranston), Continental Estates, Greaves and Sons, Grippit.

company's operations "in any way whatsoever." Sabina were 22½p in London when dealings ceased.

SABINA SHOULD GET QUOTE BACK

The president of Canada's Sabina Mines, Mr. Mike McCormick, said in London on Friday that the suspension of the company's shares in Vancouver was a technical, not a substantive, matter which was in the process of being resolved with the Stock Exchange there.

The problem arose following completion of a deal with Germany's Gluini chemical company whereby Sabina secured the licensing rights for the whole of North America for the Gluini process to manufacture chemical gypsum from the wastes given off in fertilizer production.

To reflect more adequately the importance of this new enterprise the Vancouver Stock Exchange's permission to change the name of the company to Sabina Industries was sought. This meant transferring the quotation from the mining to the Industrial Board.

Mr. McCormick added that the move would be in Vancouver this week and expected to have Sabina fully listed and trading resumed. He stressed that the share suspension had not affected the

CRA option at Mt. Keith

An option to acquire part of the Australian Consolidated Minerals stake in the Mount Keith and Kingston nickel prospects in Western Australia has been given to Consol Consolidated Minerals.

The option runs to September 2, and if it is exercised ACMI will receive an initial payment of £2.5m. (£1.16m.) in cash or shares of ACMI.

ACMI has a 15½ per cent interest in Mount Keith where indications reserves have been put at a huge 250m. tons but with a marginal grade of 0.8 per cent nickel. The other owners are Freeport Minerals (formerly Freeport Sulphur) (30 per cent) and Metallgesellschaft (35 per cent).

Consol Consolidated Minerals has an equal interest in the Kingston prospect to the north. In the event of both prospects proving viable CRA will pay the balance of the £2.5m. in the latter's interest in them will be reduced to 3 per cent. ACMI shares were unchanged at 18p on Friday with the options at 9p.

Latham's satisfactory trend to continue

TURNOVER for the first three months of the current year shows a satisfactory increase, chairman of James Latham, Mr. J. D. D. Latham, tells members, and the Board is optimistic that this trend "will be continued during the remainder of the year."

Investments in capital projects over recent years, have placed the group in a very strong and competitive position.

"When the expected increase in industrial productivity takes place, the directors will not fail to take advantage of increasing their business," he says.

As reported on July 15, group profit, before tax, for the year ended March 31, 1971, fell from £382,443 to £351,508. The total dividend is held at 12 per cent.

The chairman states that, as far as costs are concerned, they have been contained, but the group has been confronted with increases in the cost of handling timber, particularly in the docks, over which we have no control.

Meeting, Clapton, E. September 8, at 2.30 p.m.

ISSUE NEWS

HALCYON
Permission to deal in the Ordinary 10p shares in Halcyon Investments has been granted by the Council of the London Stock Exchange.

Halcyon was formed to acquire the capital of Hanphra (Ceylon) Tea and Rubber Company on a share exchange basis. The terms of the offer were 10 Ordinary shares of Halcyon for every £1 share of Hanphra.

Brokers are de Zoet and Bevan.

YOKOHAMA BONDS
Arrangements have been completed for the issue of 100m. 8 per cent DM Bonds of 1971-88 in Yokohama City. The bonds are guaranteed by the Japanese Government. The underwriting group was headed by Deutsche Bank.

ICI LOAN
The £15m. 9 per cent Sterling Deutsche Mark Bonds 1978-86 of ICI International Finance have now been sold. The bonds, which are guaranteed by the parent company, were issued through a group of underwriters headed by S. G. Warburg and Co., Deutsche Bank, and J. Henry Smith Wagg and Co.

INTERIM STATEMENT

PITNEY-BOWES LTD. & SUBSIDIARIES
INTERIM STATEMENT

The results for the six months ended 30th June 1971 based on unaudited accounts are as shown below.

	Six months ended 30th June 1971	Year ended 30th June 1970	Year ended 30th June 1969
Turnover	2,648,000	2,512,000	5,398,000
Trading Profit before Depreciation & Taxation	338,000	294,000	766,000
Less Depreciation	227,000	193,000	375,000
Corporation Tax	—	26,000	125,000
Net Profit	111,000	75,000	266,000
Less Amortisation of selling expenses	74,000	—	—
Net Disposable Profit	37,000	75,000	266,000

Until 31st December 1970 the Company was deferring selling expenses relating to rental business over a period of three years, but since then the practice has ceased, and all selling expenses are being absorbed as incurred. The accumulated deferred at 31st December 1970 was £444,000 and is being written off in equal instalments of £74,000 each half year for the 3 years 1971 to 1973.

No taxation charge is necessary for the 6 months to 30th June 1971 due, partly to the effect of Capital Allowances, and partly to the utilisation of losses brought forward from prior years. Without these factors the charge for Corporation Tax would have been £44,000 compared with £48,000 for the 6 months to 30th June 1970.

The profits before taxation cover the loan stock interest approximately 2.3 times.

Registered Office and U.K. Marketing Headquarters
PB HOUSE - 51/53 HATTON GARDEN - LONDON EC1N 9HL

BUSINESS SYSTEMS AND EQUIPMENT

All these Bonds having been sold, this announcement appears as a matter of record only.



£15,000,000

I.C.I. INTERNATIONAL FINANCE LIMITED

8 per cent. Sterling/Deutsche Mark Bonds 1978/86

under the unconditional and irrevocable guarantee of

IMPERIAL CHEMICAL INDUSTRIES LIMITED

S. G. Warburg & Co.

Deutsche Bank

J. Henry Schroder Wagg & Co.

Algemeene Bank Nederland N.V.	A. E. Ames & Co.	Amsterdam-Rotterdam Bank N.V.	Audreus Bank A/S
Associated Japanese Bank (International)	Julius Baer International	Banca Commerciale Italiana	Banca Nazionale del Lavoro
Banco di Roma	Bank of London & South America	Bankiers Trust International	Bankhaus Hermann Lampe KG
Banque de Bruxelles S.A.	Banque Europeenne de Tokyo S.A.	Banque Francaise du Commerce Extérieur	Banque Francaise de Dépôts et de Titres
Banque Générale de Luxembourg S.A.	Banque de l'Indochine	Banque Internationale à Luxembourg S.A.	Banque Lambert S.C.S.
Banque Louis-Dreyfus & Cie	Banque Nationale de Paris	Banque de Neuchâtel, Schlumberger, Mallet	Banque de Paris et des Pays-Bas
Banque Populaire Suisse (Underwriters) S.A.	Banque Rothschild	Banque de Suze et de l'Union des Mines	Banque de l'Union Européenne
Banque de l'Union Paribas-C.F.C.G.	Banque Worms et Cie	Baring Brothers & Co.	H. Albert de Barry & Co. N.V.
Bayerische Hypotheken- und Wechsel-Bank	Bayerische Vereinsbank	Job. Berenberg, Gossler & Co.	Bergens Privatbank
Berliner Handel-Gesellschaft—Frankfurter Bank	Burkhardt & Co.	Capitalfin International	Casasnov & Co.
La Centrale Finanziaria Generale S.p.A.	Christiansen Bank og Kreditkasse	Comptoirs Bank	Compagnie Financière de la Deutsche Bank AG
Compagnie Luxembourgeoise de Banque S.A.	Credit Commercial de France	Credit Lyonnais	Credit Suisse (Bahamas)
Credito Italiano	The Delta Banking Corporation	Deutsche Girozentrale—Deutsche Kommunalbank	Dresdner Bank
Edinburgh International	European-American Finance (Bernards)	Fellebank A/S	Finanziaria Italiana di Investimenti S.p.A.
The First Boston Corporation	Fleming, Suez, Brown Brothers	Antony Gibbs & Sons	Girozentrale und Bank der österreichischen Sparkassen
Goldman Sachs International Corp.	Gutzwiller, Kurt, Bungeer Securities	Hamberg Bank	Handelsbank in Zürich (Overseas)
Hill Samuel & Co.	Hoare & Co., Gorrell	Japan International Bank	Kaisers-Otsuka-Pankki
Kreditbank S.A. Luxembourg	Kuhn, Loeb & Co. International	Lazard Frères & Co.	Lazard Frères & Co.
Merrill Lynch, Pierce, Fenner & Smith	B. Metzler seel. Sohn & Co.	Sennel Montagu & Co.	Morgan & Co. International S.A.
Morgan Grenfell & Co.	Norddeutsche Landesbank Girozentrale	Den norske Creditbank	Sal. Oppenheim Jr. & Co.
Pasmore Gordon & Co.	Pictet International	Pierson, Helderling & Pierson	N. M. Rothschild & Sons
Schäfers, Mischke, Hergel & Co.	Schroders & Chartered	J. & A. Schriber	Singer & Friedlander
Smith, Barney & Co.	Société Générale	Société Générale de Banque S.A.	Stockholms Enskilda Bank
Svenska Handelsbanken	Swiss Bank Corporation (Overseas)	C. G. Triukaus	Union Bank of Switzerland (Underwriters)
M. W. Merburg-Brinckmann, Wirtz & Co.	Westdeutsche Landesbank Girozentrale	White, Weld & Co.	Wood Gundy

15th August 1971

مكتبة الشامل

INTERNATIONAL COMPANY NEWS + OVERSEAS MARKETS

EUROBONDS

Dollar bond market falters under currency pressures

BY WILLIAM LOW

"I WISH I was on holiday" bonds: this example can be repeated many times. Actual turnover is small, possibly at its lowest level for this year. And so the sorry tale continues.

The primary sector has also come under pressure. General Motors was forced to reduce the amount of its debenture offering, while TRW decided to postpone its offering. It would be a brave or foolhardy borrower who attempted to float a pure eurobond at the moment.

Another unit which is popular with both borrowers and investors is the Dutch Guilder. The Dutch Central Bank has agreed to the resumption of so-called Euroguilder issues which are sold only to non-residents of the Netherlands. New Zealand has successfully raised £160m for seven years at 7½ per cent, and further such offerings are expected at the rate of about two per month.

Pressure is being applied to the Dutch authorities to extend the life of Euroguilder loans to 10 or even 15 years.

(something they cannot do on bank deposits) and also stand up to a revaluation of the mark. The West German Capital Market Committee meets today to decide the flow of new issues for the coming fortnight. It is possible that the interest rate for foreign loans may be reduced to 7 per cent from the current 7½ per cent level in view of the heavy oversubscriptions for recent 8 per cent issues.

Another unit which is popular with both borrowers and investors is the Dutch Guilder. The Dutch Central Bank has agreed to the resumption of so-called Euroguilder issues which are sold only to non-residents of the Netherlands. New Zealand has successfully raised £160m for seven years at 7½ per cent, and further such offerings are expected at the rate of about two per month.

Pressure is being applied to the Dutch authorities to extend the life of Euroguilder loans to 10 or even 15 years.

Some houses quietly ceased market-making operations, dealing on a negotiating only basis. One investor trying to unload 100 bonds of a particular issue succeeded in selling just 10

IN BRIEF

● **STAUFFER CHEMICAL COMPANY** agreed to sell its urethane foam operations, consisting of three plants, to United Foam Corporation for an undisclosed amount.

● **L. M. ERICSSON TELECOMUNICATIONS** said its Brazilian subsidiary received two orders for equipment valued at \$37m. Orders provide equipment for an extension of the Sao Paulo telephone network and for equipment intended for an extension of telephone facilities in Belo Horizonte. All equipment will be locally manufactured.

● **WALTER KIDDE AND CO.** said income before extraordinary items rose to \$14.06m for the six months ended June 30, compared with \$11.12m for the same period of 1970. Pre-tax profit was \$27.30m, against \$23.17m a year earlier. In the 1971 period, Kidde had extraordinary income of \$17.06m, including a gain of \$6.42m, resulting from a public offering of a minority interest in LCA Corporation, an 80 per cent subsidiary of Kidde.

● **POC CONSTRUCTIONS PTY.**, the building subsidiary of Project Development Corporation, says it has signed a contract for the design and construction of a fertilizer blending and distribution system in North Sumatra and is valued at \$170m. The work will be carried out in association with Waggoner Biro, of Vienna, Austria. Work will start beginning 1972 and be completed by end 1973.

● **ZENTRUM BANK**, of Zurich to Basel and Lausanne, has had to close following the arrest of its director and Board delegate Paul Wörmsler. Wörmsler, who is the majority shareholder of the bank, is charged with the issuing of false documents and "other punishable offences". The Federal Banking Commission in Bern said that the Board delegate had embezzled "considerable sums, by far exceeding the bank's own resources". Zentrumbank, a company specialising in personal credit and advertising with a phrase "a credit granted every 15 minutes", has a capital of Sw.Frs.4m.

● **BETHLEHEM STEEL CORPORATION** said it will raise prices on its mill products, effective October 1. Increases will be in line with that announced by U.S. Steel Corporation when it raised prices of several products following settlement of a new labour pact with the United Steelworkers.

● **ASBESTOS CORPORATION**, one of the largest asbestos producers in Canada and a subsidiary of General Dynamics Corporation of New York, reports profit of \$2.1m, or 73 cents a share, for the first nine months of 1971, against \$1.9m, or 69 cents a share, for the same period of 1970. Sales \$23.5m, (\$21.4m).

● **AMERICAN METAL CLOAK** said it signed a 12-month option to purchase, for \$3m, American Zinc Company's electrolytic zinc plant in Kansas, Mo. American Zinc closed the plant in June, noting it was "unprofitable". Estimated capacity of the plant, prior to the shut-down, was 75,000 lb. of zinc annually. A special high-grade zinc alloy.

MADRID STOCK EXCHANGE PRICES

Stock	High	Low	Close	Week's %	Div.	Net
Alfonso Hornos de Vizcaya	97	93.5	96	+1.5	5.00	5.20
Banco Central	965	957	965	+10	11.97	1.24
Banco de Bilbao	869	853	869	+16	13.83	1.59
Banco de Vizcaya	804	788	804	+18	14.22	1.76
Banco Esp. de Credito	730	718	730	+35	11.33	1.51
Banco Exterior de Esp.	285	281	281	+5	9.95	2.81
Banco Hisp. Americano	740	728	740	+13	12.01	1.63
Auxiliar de Ferrocarriles	122	120	120	+5	4.00	5.32
Cia. Industrias Agricolas	289	285	285	+4	7.50	2.98
Cia. Espanol. Petroleos	329	327	327	+1	6.50	5.15
Cia. Sev. de Electricidad	223	225	225	+1.5	5.00	4.20
Cia. Telefon. nal. de Esp.	297	294	295	+4	8.07	2.73
Dragados y Construcciones	580	574	575	+12	5.00	1.46
Ebro Azuc. Alcoholes	684	680	683	+6	13.60	1.99
Emp. Azucar. de la Zula	123	123	123	+2	3.10	4.14
Fuerzas Elect. Cataluna	234.5	232	234.5	+1.5	10.00	4.26
Galerias Preciados	317	315	315	+3	10.00	4.31
Hidroelectrica Espanola	286.5	282	282	+5	10.00	3.54
Union y el Finis Esp.	670	651	670	+25	12.00	1.79
Min. Sid. de Ponferrada	165	163	163	+2	6.66	4.08
S.A. Cros	195	190	193	+4	5.10	2.64
S.A. el Aguila	290	284	285	+9	9.33	3.28
S.E. Auto. Turismo Seat	480	480	480	+13	4.00	5.32
Asiduleros Espanoles	73	73	73	+2	4.25	5.82
Soc. Met. Duro Peligra	73	72	72	+2	5.00	6.94
Soc. Nal. Ind. Aplicacion	156	151	153	+5	8.00	5.22
Celulosa Esp. Snaice	270	265	270	+5	5.00	3.77
Union Explosivos R.T.	340	340	340	+17	10.75	1.27
Simago	845	830	845	+17	10.75	1.27
Banco de Santander	845	830	845	+17	10.75	1.27

Par values: Ptas500 except *Ptas250, *Ptas150, *Ptas1,000.

Source: Banco Central Madrid.

AUSTRALIAN WEEKLY LIST

Stock	Aug. 13	Aug. 14	Aug. 15	Aug. 16
Advertiser Newspapers	1.58-1.60	1.58-1.60	1.58-1.60	1.58-1.60
Bank of New South Wales	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Bank of Queensland	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Bank of Western Australia	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Commonwealth Bank	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Electricity Commission	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Insurance Commission	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Mineralogy	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Public Works	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Real Estate	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Shipping	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Stock Exchange	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Telegraph	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Water Supply	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19
Wool	1.18-1.19	1.18-1.19	1.18-1.19	1.18-1.19

TEL AVIV STOCK EXCHANGE

Company	Unit	Price	Change	High	Low
Bank Leumi	10	228.5	+1.7	230.0	227.0
Bank of Israel	10	164.0	+0.3	165.0	163.0
Bank of Jerusalem	10	114.0	+1.0	115.0	113.0
Bank of Palestine	10	114.0	+2.7	115.0	113.0
Bank of Tel Aviv	10	124.0	+8.0	125.0	123.0
Bank of the Holy Land	10	140.0	+8.0	141.0	139.0
Bank of the South	10	130.0	+1.0	131.0	129.0
Bank of the West	10	130.0	+1.0	131.0	129.0
Bank of the East	10	130.0	+1.0	131.0	129.0
Bank of the North	10	130.0	+1.0	131.0	129.0
Bank of the Center	10	130.0	+1.0	131.0	129.0
Bank of the South	10	130.0	+1.0	131.0	129.0
Bank of the West	10	130.0	+1.0	131.0	129.0
Bank of the East	10	130.0	+1.0	131.0	129.0
Bank of the North	10	130.0	+1.0	131.0	129.0
Bank of the Center	10	130.0	+1.0	131.0	129.0

INVESTMENT 5 Premium

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

GERMANY

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

TORONTO

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

AMSTERDAM

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

MONTREAL

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

PARIS

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

OSLO

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

STOCKHOLM

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

COPENHAGEN

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

VIENNA

Stock	High	Low	Stock	High	Low
40%	34%	32%	40%	34%	32%
30%	28%	26%	30%	28%	26%
20%	18%	16%	20%	18%	16%
10%	8%	6%	10%	8%	6%
5%	4%	3%	5%	4%	3%
2%	1%	0%	2%	1%	0%
1%	0%	0%	1%	0%	0%
0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%

CANADIAN WEEKLY LIST

Stock	Aug. 13	Aug. 14	Aug. 15	Aug. 16
Alcan	48.4	47	47	47
Bank of Montreal	14.1	14	14	14
Bank of Toronto	14.1	14	14	14
Bank of Victoria	14.1	14	14	14
Bank of the West	14.1	14	14	14
Bank of the North	14.1	14	14	14
Bank of the Center	14.1	14	14	14
Bank of the South	14.1	14	14	14
Bank of the West	14.1	14	14	14
Bank of the North	14.1	14	14	14
Bank of the Center	14.1	14	14	14

UTHORIZED UNIT TRUSTS (p***)

Yield %		Yield %	
(c) Albion Management	5.1	(n) (c) Equity & High Income	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	American Ind. High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust	5.1
Unit Trust, Edinburgh 3. 1981 833 333	5.1	High Wycome Trust</	

Money & Exchanges

Rate 6% (April 1, 1971)

Some houses met with mixed conditions last week, but a whole money was in good y. Revenue transfers to the quarter were greater than recent disbursements on credit and Thursday, but less on Tuesday and Friday. A net Treasury bill up to be financed only in it days (partly as a result of sales of short-term bills in the market), and foreign exchange settlements tended to be in the houses' favour.

Authorities sold a moderate amount of Treasury bills on Monday in order to absorb surplus, and a very large amount of Treasury bills on Tuesday. Although there were small official bill purchases Wednesday, and large sales on Thursday, on Friday authorities sold an amount of Treasury bills described as "very large".

The Treasury bill tender, discount market, syndicate, all agreed bid by 20 to 25 and with 100m. bills, and allotted received a of 37 per cent. After the three-month tender, the yield on Treasury bills was 6.3 per cent (up from 6.1 per cent on August 10).

end of the previous week, a movement reflecting a change in the short-term fixed periods markets generally. In the inter-bank market, overnight loans touched 6 per cent. Early in the week bid were generally lower, and after a period of about 5.5 per cent, fell away to between 2 per cent and 3 per cent by the close.

Sterling rose 1 cent on the week against the U.S. dollar in a series of short-term dealings, touching levels as high as since immediately after the pound's devaluation in 1967. The Bank of England appeared to buy dollars on an appreciable scale. There was widespread pressure on the dollar from the start, with the call for a devaluation of the dollar by a U.S. committee on the dollar. Short-term Euro-dollar rates came under strong demand, with the one-month rate, for instance, touching 10 per cent. The strength of the Euro-dollar rate supported Euro-dollar to some extent, but the forward pound fell away sharply, and in the 8-month position closed at 1 cent discount at the end of the previous week, and at one point on Friday touched 2 1/2 per cent. The German mark gained 6.5 p.p. on the week to DM3.35, and touched DM3.37 on Friday. The Dutch guilder rose 7.45 cents net to FL3.43, and touched FL3.42. The Belgian franc was again at its official dollar ceiling, and the Italian lira moved to its ceiling. Swiss francs hardened 1 cent to Fr4.06, and at one point were quoted at Fr4.0325. Japanese yen closed at their official upper limit of 377.30 to the dollar, and never far away from it. Canadian dollars improved 65 points to 38.81 U.S. cents.

Gold rose 35 cents an ounce on balance in London to \$425.45. In active conditions, erratic movements in price, and \$44.00-44.20, the highest since the setting-up of the two-tier system in 1968, was touched for a time on Monday.

FORWARD RATES

Period	Rate	Period	Rate	Period	Rate	Period	Rate
1 month	1.0000	3 months	1.0000	6 months	1.0000	9 months	1.0000
12 months	1.0000	15 months	1.0000	18 months	1.0000	21 months	1.0000
24 months	1.0000	27 months	1.0000	30 months	1.0000	33 months	1.0000
36 months	1.0000	39 months	1.0000	42 months	1.0000	45 months	1.0000
48 months	1.0000	51 months	1.0000	54 months	1.0000	57 months	1.0000
60 months	1.0000	63 months	1.0000	66 months	1.0000	69 months	1.0000
72 months	1.0000	75 months	1.0000	78 months	1.0000	81 months	1.0000
84 months	1.0000	87 months	1.0000	90 months	1.0000	93 months	1.0000
96 months	1.0000	99 months	1.0000	102 months	1.0000	105 months	1.0000
108 months	1.0000	111 months	1.0000	114 months	1.0000	117 months	1.0000
120 months	1.0000	123 months	1.0000	126 months	1.0000	129 months	1.0000
132 months	1.0000	135 months	1.0000	138 months	1.0000	141 months	1.0000
144 months	1.0000	147 months	1.0000	150 months	1.0000	153 months	1.0000
156 months	1.0000	159 months	1.0000	162 months	1.0000	165 months	1.0000
168 months	1.0000	171 months	1.0000	174 months	1.0000	177 months	1.0000
180 months	1.0000	183 months	1.0000	186 months	1.0000	189 months	1.0000
192 months	1.0000	195 months	1.0000	198 months	1.0000	201 months	1.0000
204 months	1.0000	207 months	1.0000	210 months	1.0000	213 months	1.0000
216 months	1.0000	219 months	1.0000	222 months	1.0000	225 months	1.0000
228 months	1.0000	231 months	1.0000	234 months	1.0000	237 months	1.0000
240 months	1.0000	243 months	1.0000	246 months	1.0000	249 months	1.0000
252 months	1.0000	255 months	1.0000	258 months	1.0000	261 months	1.0000
264 months	1.0000	267 months	1.0000	270 months	1.0000	273 months	1.0000
276 months	1.0000	279 months	1.0000	282 months	1.0000	285 months	1.0000
288 months	1.0000	291 months	1.0000	294 months	1.0000	297 months	1.0000
300 months	1.0000	303 months	1.0000	306 months	1.0000	309 months	1.0000
312 months	1.0000	315 months	1.0000	318 months	1.0000	321 months	1.0000
324 months	1.0000	327 months	1.0000	330 months	1.0000	333 months	1.0000
336 months	1.0000	339 months	1.0000	342 months	1.0000	345 months	1.0000
348 months	1.0000	351 months	1.0000	354 months	1.0000	357 months	1.0000
360 months	1.0000	363 months	1.0000	366 months	1.0000	369 months	1.0000
372 months	1.0000	375 months	1.0000	378 months	1.0000	381 months	1.0000
384 months	1.0000	387 months	1.0000	390 months	1.0000	393 months	1.0000
396 months	1.0000	399 months	1.0000	402 months	1.0000	405 months	1.0000
408 months	1.0000	411 months	1.0000	414 months	1.0000	417 months	1.0000
420 months	1.0000	423 months	1.0000	426 months	1.0000	429 months	1.0000
432 months	1.0000	435 months	1.0000	438 months	1.0000	441 months	1.0000
444 months	1.0000	447 months	1.0000	450 months	1.0000	453 months	1.0000
456 months	1.0000	459 months	1.0000	462 months	1.0000	465 months	1.0000
468 months	1.0000	471 months	1.0000	474 months	1.0000	477 months	1.0000
480 months	1.0000	483 months	1.0000	486 months	1.0000	489 months	1.0000
492 months	1.0000	495 months	1.0000	498 months	1.0000	501 months	1.0000
504 months	1.0000	507 months	1.0000	510 months	1.0000	513 months	1.0000
516 months	1.0000	519 months	1.0000	522 months	1.0000	525 months	1.0000
528 months	1.0000	531 months	1.0000	534 months	1.0000	537 months	1.0000
540 months	1.0000	543 months	1.0000	546 months	1.0000	549 months	1.0000
552 months	1.0000	555 months	1.0000	558 months	1.0000	561 months	1.0000
564 months	1.0000	567 months	1.0000	570 months	1.0000	573 months	1.0000
576 months	1.0000	579 months	1.0000	582 months	1.0000	585 months	1.0000
588 months	1.0000	591 months	1.0000	594 months	1.0000	597 months	1.0000
600 months	1.0000	603 months	1.0000	606 months	1.0000	609 months	1.0000
612 months	1.0000	615 months	1.0000	618 months	1.0000	621 months	1.0000
624 months	1.0000	627 months	1.0000	630 months	1.0000	633 months	1.0000
636 months	1.0000	639 months	1.0000	642 months	1.0000	645 months	1.0000
648 months	1.0000	651 months	1.0000	654 months	1.0000	657 months	1.0000
660 months	1.0000	663 months	1.0000	666 months	1.0000	669 months	1.0000
672 months	1.0000	675 months	1.0000	678 months	1.0000	681 months	1.0000
684 months	1.0000	687 months	1.0000	690 months	1.0000	693 months	1.0000
696 months	1.0000	699 months	1.0000	702 months	1.0000	705 months	1.0000
708 months	1.0000	711 months	1.0000	714 months	1.0000	717 months	1.0000
720 months	1.0000	723 months	1.0000	726 months	1.0000	729 months	1.0000
732 months	1.0000	735 months	1.0000	738 months	1.0000	741 months	1.0000
744 months	1.0000	747 months	1.0000	750 months	1.0000	753 months	1.0000
756 months	1.0000	759 months	1.0000	762 months	1.0000	765 months	1.0000
768 months	1.0000	771 months	1.0000	774 months	1.0000	777 months	1.0000
780 months	1.0000	783 months	1.0000	786 months	1.0000	789 months	1.0000
792 months	1.0000	795 months	1.0000	798 months	1.0000	801 months	1.0000
804 months	1.0000	807 months	1.0000	810 months	1.0000	813 months	1.0000
816 months	1.0000	819 months	1.0000	822 months	1.0000	825 months	1.0000
828 months	1.0000	831 months	1.0000	834 months	1.0000	837 months	1.0000
840 months	1.0000	843 months	1.0000	846 months	1.0000	849 months	1.0000
852 months	1.0000	855 months	1.0000	858 months	1.0000	861 months	1.0000
864 months	1.0000	867 months	1.0000	870 months	1.0000	873 months	1.0000
876 months	1.0000	879 months	1.0000	882 months	1.0000	885 months	1.0000
888 months	1.0000	891 months	1.0000	894 months	1.0000	897 months	1.0000
900 months	1.0000	903 months	1.0000	906 months	1.0000	909 months	1.0000
912 months	1.0000	915 months	1.0000	918 months	1.0000	921 months	1.0000
924 months	1.0000	927 months	1.0000	930 months	1.0000	933 months	1.0000
936 months	1.0000	939 months	1.0000	942 months	1.0000	945 months	1.0000
948 months	1.0000	951 months	1.0000	954 months	1.0000	957 months	1.0000
960 months	1.0000	963 months	1.0000	966 months	1.0000	969 months	1.0000
972 months	1.0000	975 months	1.0000	978 months	1.0000	981 months	1.0000
984 months	1.0000	987 months	1.0000	990 months	1.0000	993 months	1.0000
996 months	1.0000	999 months	1.0000	1002 months	1.0000	1005 months	1.0000

O-CURRENCY INTEREST RATES

Period	Rate	Period	Rate	Period	Rate	Period	Rate
1 month	1.0000	3 months	1.0000	6 months	1.0000	9 months	1.0000
12 months	1.0000	15 months	1.0000	18 months	1.0000	21 months	1.0000
24 months	1.0000	27 months	1.0000	30 months	1.0000	33 months	1.0000
36 months	1.0000	39 months	1.0000	42 months	1.0000	45 months	1.0000
48 months	1.0000	51 months	1.0000	54 months	1.0000	57 months	1.0000
60 months	1.0000	63 months	1.0000	66 months	1.0000	69 months	1.0000
72 months	1.0000	75 months	1.0000	78 months	1.0000	81 months	1.0000
84 months	1.0000	87 months	1.0000	90 months	1.0000	93 months	1.0000
96 months	1.0000	99 months	1.0000	102 months	1.0000	105 months	1.0000
108 months	1.0000	111 months	1.0000	114 months	1.0000	117 months	1.0000
120 months	1.0000	123 months	1.0000	126 months	1.0000	129 months	1.0000
132 months	1.0000	135 months	1.0000	138 months	1.0000	141 months	1.0000
144 months	1.0000	147 months	1.0000	150 months	1.0000	153 months	1.0000
156 months	1.0000	159 months	1.0000	162 months	1.0000	165 months	1.0000
168 months	1.0000	171 months	1.0000	174 months	1.0000	177 months	1.0000
180 months	1.0000	183 months	1.0000	186 months	1.0000	189 months	1.0000
192 months	1.0000	195 months	1.0000	198 months	1.0000	201 months	1.0000
204 months	1.0000	207 months	1.0000	210 months	1.0000	213 months	1.0000
216 months	1.0000	219 months	1.0000	222 months	1.0000	225 months	1.0000
228 months	1.0000	231 months	1.0000	234 months	1.0000	237 months	1.0000

ENGINEERING AND METAL—Gen. Cont. HOTELS AND CATERERS—Continued

ENGINEERING AND METAL—Gen. Cont.	Dividends Usually Paid	Stock	Mining	Wheat	Cattle	Hogs	Dairy	Tobacco	Misc.	Hotel	HOTELS AND CATERERS—Continued	Dividends Usually Paid	Stock	Mining	Wheat	Cattle	Hogs	Dairy	Tobacco	Misc.
Mar. Sep. Nat'l. Indus. & Eng.	20	170			95	52	62	1	1	4,219.82	J. N. M. Carson's Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Dec. Brit. Indus. & Eng.	20	170			95	52	62	1	1	4,219.82	Dec. June & Dec. Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. May Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. May Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2.82	2.82	2.82	2.82	2.82
Nov. Oct. Brimingham Ind.	30	50			102	124	23	23	23	1,613.65	Sept. Mar. & May Hotel	100	10	36.11	80	2				

[illegible][illegible][illegible]

June	Dec	Unemployment (log)	91	28.1	11.1	2.5	4.5	8.9	1.1	Dec	Unemployment (log)	41	28.1	8.4	2.6	1.1
May	Dec	Unemployment (log)	86	27.0	2.1	2.5	4.5	8.9	1.1	April	Dec	Unemployment (log)	124	2.4	4.4	1.6
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.	541	28.8	4.5	3.7	8.7	5.2	1	May	Nov	Campey 20p	31	18.4	12.1	2.4
Mar.	Aug.	Do. by Con. Fed.</														

[illegible]

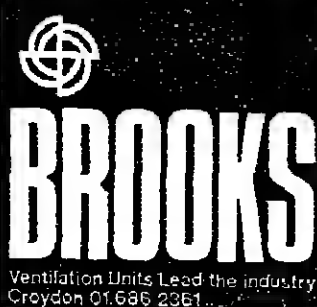
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Jan.	Blair Sp...	11	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	12	28.7	27.7	1.4
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	13	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	14	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	15	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	16	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	17	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	18	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	19	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	20	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	21	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	22	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	23	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	24	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	25	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	26	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	27	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	28	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	29	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	30	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	31	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	32	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	33	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	34	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	35	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	36	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	37	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	38	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	39	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	40	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	41	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	42	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	43	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	44	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	45	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	46	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	47	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	48	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	49	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	50	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	51	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	52	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	53	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	54	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	55	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	56	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	57	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	58	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	59	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	60	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	61	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	62	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	63	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	64	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	65	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	66	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	67	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	68	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	69	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	70	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	71	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	72	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	73	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	74	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	75	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	76	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	77	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	78	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	79	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	80	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	81	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	82	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	83	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	84	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	85	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	86	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	87	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	88	28.7	27.7	
July	Jan.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Oct.	May	Blair Sp...	89	28.7	27.7	
Aug.	Feb.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Nov.	June	Blair Sp...	90	28.7	27.7	
Sept.	Mar.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Dec.	July	Blair Sp...	91	28.7	27.7	
Oct.	Apr.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Jan.	Aug.	Blair Sp...	92	28.7	27.7	
Nov.	May	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Feb.	Sept.	Blair Sp...	93	28.7	27.7	
Dec.	June	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Mar.	Oct.	Blair Sp...	94	28.7	27.7	
Jan.	July	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Apr.	Nov.	Blair Sp...	95	28.7	27.7	
Feb.	Aug.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	May	Dec.	Blair Sp...	96	28.7	27.7	
Mar.	Sept.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	June	Jan.	Blair Sp...	97	28.7	27.7	
Apr.	Oct.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	July	Feb.	Blair Sp...	98	28.7	27.7	
May	Nov.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Aug.	Mar.	Blair Sp...	99	28.7	27.7	
June	Dec.	Clowse Darline	33	28.5	27.5	2.0	3.1	9.7	Sept.	Apr.	Blair Sp...	100	28.7	27.7	

[illegible]

٥٦: امير المؤمنين

TABLE 4. Continued

Printed at the G.P.O. Printed by St. Clements
and for and published by THE FINANCIAL TIMES
Blacken House, Cannon Street, London, E.C.4



Lombard

The way to subdue a problem child

BY C. GORDON TETHER

"I WISH," writes Sir Gressing Votham, head of the Academy for Central Bankers at Hetherington, "that all those readers of the Lombard Column who have contributed to the fund to improve the amenities of the Principality's country retreat could have been with us for the students' end-of-term presentation of life as the embryonic central banker sees it. I am sure they could not have failed to be convinced of the transcendental value of our work."

"It would take," he goes on, "a brush possessing much greater artistry than mine to do justice to this performance. There was, for example, the item in which they neatly mocked the fashionable theme that the economic tie-up between France and Germany has permanently ended their traditional enmity. Enraptured, 'The Fourth Franco-Prussian War,' it made the point that the old enmity is carried on not enthusiastically as ever but that now the weapons are exchange rates rather than guns."

Outfanked

"The scene opened with the French entrenched behind their Maginot Line of fixed parties, confident as ever that its impenetrable concrete would enable them to hold out indefinitely. They discover the limitations of their thinking when they awaken one morning to find that the Germans, skillfully deploying their secret weapons—a mighty manoeuvring floating tank—have outfanked them."

"They feverishly set about improvising defences on this new front. But as the curtain falls on the opening shots in the impending engagement, we have a pretty shrewd idea who is going to emerge victorious."

"Then there was the final number—a colourful portrayal of the remarkable success the Central Banking Community has had in bringing dollar imperialism to heel by the simple expedient of encouraging its excesses through intensive development of the Euro-currency market."

All fail

"In a family of great affluence, the one problem is the determination of the much-loved only child to have his own way. As it grows, nurse after nurse tries to get it to develop a sense of proportion. One seeks to teach it civilized behaviour by studiously showing it the error of its ways. Another relies on the proposition that to spare the rod is to spoil the child. They all fail to make any impression on it—even the French lady with the beard of gold."

"Finally, in desperation, the parents reply to an advertisement in the local newspaper offering the services of a 'new' revolutionary discipline that can be relied upon to cut the most recalcitrant infant down to size."

"To our surprise, the 'revolutionary' technique turns out to be nothing more than insistence upon encouraging the child to perpetrate even bigger excesses. Not only does the new nanny make a point of satisfying every whim; she goes out of her way to make it clear that it has only to ask to be given what it wants. The infant is understandably delighted to find that the cure has proved to have feet of clay. And we are left with a day after day of its way through the box after box of candies, going to bed as late as it wants to."

Sinister

"Needless to say, its health begins to deteriorate as its intolerance turns into a bad case of over-weight. And as this together with the lack of adequate rest, gradually produces a state of complete exhaustion, the sinister purpose of the new nurse's unorthodox approach emerges. With the cringing child now dependent on her for its very survival, she unceremoniously makes it clear that in future it will do exactly what she wants it to do when she wants it to do it. And we soon see that the message has been both received and understood."

"This glowing tribute to the ability of the central banker to subdue even the most powerful political blocs through unorthodox use of his financial skills naturally went down extremely well with our audience." Sir Gressing concludes, "and it was with the greatest pride that we rose to affirm more loudly than ever that we shall all swing together as we swear by the best of schools."

THE LEX COLUMN

Changing attitudes to golds

Looking at the FT gold mines index over the past few years against the world currency background, it would appear that the price trends seem to discount events about one year ahead. Thus the index peak of 87 back in early 1968 came just about a year before the gold price peaked out in March 1969 at about \$431, when the gold index had eased under 80. Equally the spring 1970 high of the index was over 55 against 58 to-day when the age-old problem of the dollar really does look as if it has come to a head.

Psychology

During this period, the idea that a big rise in the official gold price was likely in the short/medium-term has been losing adherents. It has been pointed out that European interest in a major revaluation back in 1967, after the U.S. had lost over \$10,000m. in the previous decade, had cooled considerably by 1971, when Europe had accumulated perhaps \$20,000m. more of paper dollar obligations and only a mere \$2,000m. of gold from Fort Knox.

At the same time—causally perhaps—the psychological element in gold share buying has been losing force—that is, the chasing of gold shares simply as a haven against currency upsets. That explains the general decline in prices since the 1968 peak and must also explain why, despite the course of events, the index only stood at 58 after the latest French protectionist move against 61 at the peak of the DM rush this year.

All this would theoretically leave gold share prices liable to drift in quiescence as the present apparent dollar crisis is resolved; and if there are further developments such as the Swiss Franc (and perhaps Sterling and the Lira) being forced to float, we would not expect much excitement in the golds sector, where, as a result, holders of gold values (9 per cent rate) on the shares who read 1970's leaders assumption of 31 per cent, and laggards tables with such annual price increase and one

of 7. That means good value against fixed interest stocks and against any fancy rating for the shares.

Cawoods

Cawoods' 1970-71 profits are up from an adjusted £1.65m. to £2.09m. pre-tax, and that includes the share of associated company income, in for the first time, of £148,000 (against £89,000). The fuel distribution side has suffered the predictable hangover from the first full year without the Regent contract, partly offset by higher solid fuel profits. So all the growth comes from Cawoods' other interests, reflecting the impact of extra volume on high operational gearing in aggregates and building supplies, compounded by the associated companies plus loss elimination. There is more of that to come this year, with concrete products finally moving into the black. Elsewhere, closing down the contracting side knocked out £84,000 of losses, while refrac-

485p the shares are now 69 per cent. above their 1971 low and that represents a 25 per cent. premium over net worth, according to the Myers tables adjusted for latest market values. In the context of the general investment trust rating this means a 43 per cent. premium over the average 13 per cent. discount. In cash terms with a fully diluted capitalisation of £58m., investors are paying £11m. for the RIT expertise. But the absolute size of this premium serves as a reminder that the higher the trust gets—whether or not this is in Rothschild's interest—the harder it is for it to out-perform the average. Meanwhile, the rating obviously owes a lot to the glamour attached to the RIT philosophy, and in passing it is worth noting that unquoted investments (including such well-known stakes as Sotheby's and Wedd Durlacher) account for less than 10 per cent. of the March, 1971, look at Rothschild Investment total. Trust's premium rating. At

Rothschild Inv.

The annual report provides a good opportunity to take a look at Rothschild Investment total. Trust's premium rating. At

Public more optimistic over prospects in EEC

FINANCIAL TIMES REPORTER

THE BRITISH public is now taking a more favourable view of prospects about this country enter the EEC. This is shown by the second of the special surveys conducted for the Financial Times by British Market Research Bureau Ltd.

Whether this shift in the view taken of future prospects is the main factor in swinging opinion in favour of entry, or whether it is the result of the growing acceptance that Britain will in fact join is not clear at this stage.

In answer to the question (not asked previously), "In the national interest, do you think Britain ought to join the Common Market or not?" 49 per cent. said Yes, 39 per cent. No.

Faster growth

As before, people in favour of entry mostly believe that the economy will grow faster, that unemployment will go down, that most people will be better off, that income tax will fall, and that manufactured goods imported from the Common Market will be cheaper whereas those who are against entry tend to have opposite views on all these subjects.

The results are based on interviews with a random sample of 1,042 adults picked up on BMRB's continuous "Access" survey. The sample is representative of the adult population by age, sex, region and social class.

BOAC new cheap fare plans

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH Overseas Airways Corporation is understood to be ready with additional new cheap fares of its own, going even further than the already announced "early-bird" rates, if the current scheduled airlines' Atlantic fares disagreement ends—as many believe it will—in an "open rate" situation from next April 1.

Some indications of these plans may be given publicly later this week by Mr. Keith Granville, chairman, who he presents the airline's report and accounts for 1970.

Although last week's Montreal fares conference of the International Air Transport Association ended abruptly when Lufthansa voted against a "package" of new fares agreed there by all the other airlines, nobody doubts that all the scheduled airlines, including Lufthansa, are now committed to cutting fares.

Lufthansa made it clear that it only disagreed with the Montreal "package" as such, and not with the principle of fares reductions.

Swiss revaluation unlikely

BY OUR OWN CORRESPONDENT

ASSUMPTIONS of a further Swiss-Franc revaluation are completely discounted here as rumours spread by short-term speculators. The fact that the National Bank has kept its lower intervention level at the provisional level of Sfr4.06 and not dropped it to the official Sfr4.01 has emboldened these buyers very considerably, it is thought.

The very idea of a new revaluation seems absurd on the face of it. Apart from the fact that the May revaluation was aimed more at controlling the overheated economy than at regulating the foreign-exchange market—and that it has hardly been successful Friday dollars for Monday book-

	July-Aug.	June
Sample size=	1,042	506
Do you think Britain will join the Common Market?		
Yes	85	71
No	7	11
Don't know	6	13
Are you personally in favour of Britain joining the Common Market?		
Yes	34	22
No	51	67
Don't know	16	11
The economy will grow faster or slower than otherwise?		
Faster	44	33
Slower	23	36
British farmers will be		
Better off	42	39
Worse off	37	52
We shall lose a lot or only a little of our national identity?		
A lot	40	53
Only a little	46	34
Prices of manufactured goods imported from other Market countries will		
Rise	37	50
Fall	36	32
Most people will be		
Better off	33	21
Worse off	48	65
General income-tax level will		
Rise	33	46
Fall	24	20
Competition from abroad will put a lot of firms out of business?		
A lot	45	51
Not make much difference	42	35
British workers will have longer or shorter paid holidays?		
Longer	66	58
Shorter	9	10
British workers will have longer or shorter working hours?		
Longer	16	19
Shorter	53	48
Food prices in Britain will		
Rise	93	95
Fall	2	2
Middle class people will benefit more or less than working class people?		
More	45	50
Less	16	14
Social security benefits will		
Rise	49	41
Fall	18	23

The September 1 deadline set by the conference to enable Lufthansa to change its mind is now regarded by most in air transport as a formality.

Lufthansa clearly has no intention of changing its mind, and thus it seems certain that on September 1 the LATA will have to declare formally that an "open rate," or free-for-all, situation must prevail from next April 1.

The big question then will be just how far the airlines will be prepared to go to cutting fares. Nobody really wants an all-out "price war" that could be very damaging, and so most of them will probably be happy to introduce collectively the basic package agreed to at Montreal by all except Lufthansa, including the new cheap Advanced Purchase and Excursion rate of £83-£104 according to season.

But Lufthansa has already said it has plans of its own that might go even below those fares. It is to meet just such a contingency that BOAC itself is frantically trying to introduce a radical plan that it would be necessary to introduce if necessary.

The APEX rates of £83-£104 already slightly above the £75 "early-bird" return fare BOAC originally wanted to introduce, and it is thought possible that it might be prepared to go even lower than that if necessary.

This will be one proof in BOAC's own attack on the charter competition on the North Atlantic that has so worried all the scheduled airlines in recent years.

A second move will be to throw the Corporation's new charter subsidiary, British Overseas Air Charter, directly into the battle with the U.S. "supplementals" and the U.K. independents on the route.

BOAC itself is believed to be confident that with its own marketing skills and vast network it can give the non-charter operators a major

Mechanical engineering output 'up in 1972'

BY ELSETH GANQUIN

OUTPUT in the mechanical engineering industry is not expected to pick up until the second half of 1972 and in 1973, concludes the Economic Development Committee for Mechanical Engineering's short-term trends working party in its latest quarterly report, published today.

Net new orders in the light medium sector (excluding turbines and other prime movers) dropped to £582m. in the first three months of 1971, compared with £701m. in the corresponding quarter of last year. Indeed there was a steady fall since January, February and March last year. Against this, in the heavy engineering sector, net new orders tended to remain above deliveries, states the report.

The report was prepared before the mini-Budget of July 19, and production for this year was then expected to be as much as 2 per cent. lower than in 1970. A new estimate prepared in the light of the Chancellor of the Exchequer's measures, is that production may be nearer the level of 1970 after all. But the main boost is still not expected

to come before the second half of 1972.

Industry had not yet had time to reach any considered conclusions about the effect of the Chancellor's measures, it is pointed out. It remained to be seen how quickly and how far the changes in Purchase Tax and hire-purchase regulations, together with the CBI initiatives to moderate cost inflation, would restore business confidence and boost consumer spending.

However, "on top of the increase in spending which was already likely during the coming months, the effect on private consumption could be very substantial."

Time needed

But because of the present low level of capacity utilisation in most sectors of the economy, other than motors and colour television manufacture, any rises in demand were likely to take some time to work through to investment.

Furthermore, the magnitude of any eventual stimulus to investment in plant and equipment would also depend on how confident industry could be that some demand would not be cut back and that U.K. costs would not move out of line with those of overseas competitors, before investors could justify new production.

And there was the risk that if manufacturing industry limited its price increases, while cost inflation continued at a high rate, industry's ability to invest could be adversely affected.

The increase in depreciation allowances, on the other hand, "seems likely to lead to some bringing forward of investment."

The report also records decreases in employment, over time and unfilled vacancies in the quarter up to April, 1971. In May, vacancies for skilled engineering labour were at their lowest level since mid-1963. There were about three skilled men unemployed for every vacancy.

The working party found evidence of cutbacks in research and development and design staff and of lower graduate recruitment and suggests that the long-term international competitiveness of the industry could be seriously affected by this.

Support for Lynch on Ulster

BY DOMINICK J. COYLE

DUBLIN, August 15.

MR. LYNCH, the Irish Prime Minister, expects to get full support from the two opposition parties here, Fine Gael and Labour, for his now formalised "Stormont must go" campaign.

He is to outline his Government's policy on Northern Ireland to the respective party leaders, Mr. Liam Cosgrave and Mr. Brendan Corish, later this week.

This Parliamentary backing, which is likely to be forthcoming, at least in general terms, could be important for Mr. Lynch personally, since it would reinforce his position in the face of continuing opposition from a number of dissidents within the ruling Fianna Fail Party, including some former Ministers.

There will also be further contacts this week between the Dublin Government and representatives of the minority in the North, including the Social Democratic and Labour Party (SDLP) and the Nationalists. They, in fact, have the immediate task of organising the comprehensive programme of civil disobedience, including the non-payment of rents and rates, which Mr. Lynch has committed his Government to support.

No secret

The Prime Minister has been careful not to qualify or publicise the precise nature of this support, but it is no secret in official circles here that the Lynch Government is hoping for a massive demonstration by the north-

ern minority that it, too, is determined to bring down the Faulkner administration.

The government is satisfied that positive civil protest is now the minority's most effective weapon against Stormont and London. It is argued here that some extent by a stepping up of the civil protests. The IRA "proposals" also met the Press in Dublin yesterday. They intended, in Northern Ireland and the according to one of their supporters, Mr. John Kelly, to plan a problem, while also serving as a campaign of sabotage in useful, albeit indirect, diplomatic pressure on Whitehall in support suggested that targets had of Mr. Lynch's demand for a already been selected.

political solution to the present crisis.

The IRA "officials" at a news conference here yesterday said their military operation in Northern Ireland would be scaled down and replaced by some extent by a stepping up of the civil protests. The IRA "proposals" also met the Press in Dublin yesterday. They intended, in Northern Ireland and the according to one of their supporters, Mr. John Kelly, to plan a problem, while also serving as a campaign of sabotage in useful, albeit indirect, diplomatic pressure on Whitehall in support suggested that targets had of Mr. Lynch's demand for a already been selected.

There will also be further contacts this week between the Dublin Government and representatives of the minority in the North, including the Social Democratic and Labour Party (SDLP) and the Nationalists. They, in fact, have the immediate task of organising the comprehensive programme of civil disobedience, including the non-payment of rents and rates, which Mr. Lynch has committed his Government to support.

Swan Hunter threat lifted

By Our Own Correspondent

SOUTH SHIELDS, Aug. 15.

A THREAT of industrial action by boilermakers when the Swan Hunter shipbuilding yards on the Tyne re-open to normal following a two-week strike by ancillary workers has been lifted.

Five hours of talks in Newcastle today between members of the Boilermakers Society executive and senior executives of Swan Hunter, resulted in a formula which will allow negotiations to go on.

A statement issued by the union to-night said sanctions would not be put into operation by the men when they started work again tomorrow. They would work normally.

Shop stewards have been called to a meeting at Wallsend tomorrow to bear a report on the discussions.

Union officials are hoping that, as a result of to-day's discussions, shop stewards will give their support to the proposals made, and these will eventually be put to a mass meeting of the men.

London...Yorkshire
TRUST LIMITED

FINANCE FOR INDUSTRY
BY
PUBLIC ISSUES
AND
PRIVATE PLACINGS

15 BEDFORD SQUARE, LONDON, W.1

Weather

U.K. TO-DAY

Most of England, Wales & Scotland will have a dry day with some sunny spells after rain in places at first. N. and W. Ireland will have good deal of cloud and there be occasional rain in some areas. Temperatures generally will be below the season normal.

London, S.E., Cent. S. and E. E. Anglia, Midlands Sunny spells after some patches at first. Wind W. to N. light. Max. 20C (68F).

Channel Isles, S.W. Eng. Rather cloudy in places at first but sunny spells in most places. Wind N. to N.E. light. Max. 19C (66F).

Wales, N.W. Eng., Lake District Variable cloud, but generally dry with some sunny spells. N.W. light or moderate. Max. 18C (64F).

Cent. N. and N.E. Eng., Border E. Scot., Edinburgh Mostly dry with sunny spells. Wind N.W. light. Max. 19C (66F).

S.W. Scot., Glasgow, Cent. Highlands, Dundee, Argy. Variable cloud with sunny spells, perhaps some rain in places later. Wind light or moderate. Max. 18C (64F).

Caithness, N.W. Scot., Orkney, Shetland Rather cloudy with hill patches, occasional rain in places. Wind N.W. moderate. Max. 14C (57F).

Outlook: Mostly dry with periods but rather cloudy with rain at times. Normal temperatures.

BUSINESS CENTRES

	Vday	Mid-day	Wday		
	C	F	Y		
Amsterdam	18	64	Madrid	18	64
Belgium	18	64	Manchou	18	64
Bombay	18	64	Medan	18	64
Buenos Aires	18	64	Mexico	18	64
Calcutta	18	64	Midan	18	64
Canton	18	64	Montreal	18	64
Cebu	18	64	Moscow	18	64
Colon	18	64	Newcastle	18	64
Hankow	18	64	New York	18	64
Hong Kong	18	64	Osaka	18	64
London	18	64	Paris	18	64
Lyons	18	64	Prague	18	64
Manila	18	64	Rangoon	18	64
Medan	18	64	Rome	18	64
Montevideo	18	64	Singapore	18	64
Mumbai	18	64	Stockholm	18	64
Nairobi	18	64	Strasbourg	18	64
Rangoon	18	64	Toronto	18	64
Singapore	18	64	Tehran	18	64
Tokyo	18	64	Tel Aviv	18	64
Yokohama	18	64	Tientsin	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18	64	Toronto	18	64
	18				

HOLIDAY RESORTS

	Vday	Mid-day	Wday	F
Amsterdam	18	64	Madrid	18
Belgium	18	64	London	18
Bombay	18	64	Lyons	18
Buenos Aires	18	64	Manila	18
Calcutta	18	64	Medan	18
Canton	18	64	Montevideo	18
Cebu	18	64	Mumbai	18
Colon	18	64	Nairobi	18
Hankow	18	64	Rangoon	18
Hong Kong	18	64	Singapore	18
Kobe	18	64	Tokyo	18
London	18	64	Yokohama	18
Lyons	18	64		
Manila	18	64		
Medan	18	64		
Montevideo	18	64		
Mumbai	18	64		
Nairobi	18	64		
Rangoon	18	64		
Singapore	18	64		
Tokyo	18	64		
Yokohama	18	64		

Who can offer you
3462
all over
vehicles
Britain?

Your GREEN VAN MANAGER can!

Your local B.R.S. Parcels manager is the man in your area with his own staff, his own drivers, his own vehicle fleet. But he can call on a whole lot more. He can put 3,462 vehicles, and 3,714 trailers at your disposal all over the country. A modern, supremely maintained fleet dedicated to the safe, speedy, reliable delivery of your goods, your parcels. Yes, we're a big organisation—but it's the local man you get to know.

Our local man can solve your collection and delivery or warehousing problems. Pick up the phone for free advice or quotations and service. Ask for the Branch Manager, B.R.S. Parcels Ltd.

BRS PARCELS LTD

مكتبة من الأناجيل